



Tourism & Events Department
7506 E. Indian School Road
Scottsdale, AZ 85251
480.312.7177

To: David Scholefield, Chairperson
Tourism Development Commission

From: Steve Geiogamah, Tourism Development Manager

Date: January 16, 2018

Subject: Special Meeting Planning Session

The purpose of the January Tourism Development Commission Special Meeting is to develop consensus and possible recommendations regarding Financial Policy 21a and prioritizing city's tourism related projects and capital projects.

Staff will lead participants through a facilitated discussion utilizing the following points and guidelines in order to achieve the meeting objectives.

Financial Policy 21a Discussion Points

1. Fixed Versus a Percentage Allocation
2. Funding Allocation Amounts
3. Use of Carry-Over Funds
 - a. Tourism related projects and capital projects operating expenses
 - b. Tourism related capital projects
 - c. Operating impacts associated with tourism related capital projects

The following criteria was presented and evaluated previously by the commission and has not been adopted.

Tourism Project and Capital Project Evaluation Criteria

Attracts new or repeat markets particularly during the non-peak season

If Scottsdale can build visitation during the non-peak season, greater overall utilization of existing asset is achieved thereby increasing overall industry-wide profitability. (30 weight)

Enhance Scottsdale's national and/or Southwest Image

This recognizes Scottsdale's need for destination attractions that overcomes the market's view of Scottsdale as strictly a pleasant weather destination. It is important to actually offer visitor experiences that appeal to travel writers and meeting planners and others in the "travel influencing" field. A

destination attraction-project that is actually unique in character and truly indigenous can greatly assist building such an image. (30 weight)

Increases visitor length of stay and stimulate spending opportunities

A destination opportunity that increase an extra day or two spent in Scottsdale by visitors can have a measurable effect on the overall occupancy rate (profitability) of the local industry. (20 weight)

Creates positive impact on the non-hotel property sector of the visitor industry

This is particularly important to the non-accommodation sector of Scottsdale's visitor industry. Thus, this criteria is factored in to balance those criteria that focus, for example, on spreading visitation to the shoulder seasons, or increasing length of stay. (15 weight)

Maintains or enhances Scottsdale's quality of life and lifestyle

The manner in which an attraction/project affects the quality of living in Scottsdale is an important consideration. Should a particular attraction rank high with respect to other criteria, but negatively affect the overall quality of life in Scottsdale, that attraction should be eliminated. An event or facility that further improves upon the community's way of life should be credited for doing so in the overall evaluation process. (5 weight)

Following discussion the commission may provide direction to staff and recommendations regarding Financial Policy 21a as well as prioritization of tourism related projects and capital projects for City Council consideration.

The following items are attached for your reference in order to assist in preparing for the meeting:

Attachment 4a – Financial Policy 21a 2012 City Council Report

Attachment 4b – 2010 Proposition 200 Ballot Language

Attachment 4c – Proposed Financial Policy 21a

Attachment 4d – 5 Year Tourism Proforma

Attachment 4e – Hotel Lodging Report Room Inventory & Average Occupancy/Rate

Attachment 4f – STR December Market Area Report

Attachment 4g – Capital Project Prioritization List

Attachment 4h – Experience Scottsdale Tourism Project Priorities

Please contact me at 480.312.4013 or at sgeiogamah@scottsdaleaz.gov if you need any further information.

CITY COUNCIL REPORT



Meeting Date: May 8, 2012
 Charter Provision: *Provide for the orderly government and administration of the affairs of the City*
 Objective: *Create a Special Revenue Fund for Tourism Development*

ACTION

Adopt Ordinance No. 4018 establishing a Special Revenue Fund for Tourism Development effective July 1, 2012, which will (a) receive transient lodging (bed) taxes and lease rentals earned from the Fairmont-Princess Hotel and (b) allow for the use of such funds according to a modified allocation policy.

Adopt Ordinance No. 4019 effective July 1, 2012 which will (a) designate the purposes and allocation of revenues for the Special Revenue Fund for Tourism Development and (b) amend Financial Policy No. 21A governing allocation of the 5% transient lodging (bed) tax revenues to conform to a modified allocation policy.

Adopt Ordinance No. 4020 effective July 1, 2012 amending City Code Sec. 2-285 and 2-288 (Tourism Development Commission purpose and powers; duties; jurisdiction) to state the purpose of the Tourism Development Commission (TDC) to advise Council on all expenditures from the Special Revenue Fund for Tourism Development.

Direct staff to (a) offset the General Fund negative impacts of changing this policy with a charge to the General Fund unreserved fund balance and/or (b) implement the proposed changes over a three-year period.

BACKGROUND

On March 9, 2010, the citizens of Scottsdale voted to increase the transient occupancy (bed) tax from 3% to 5% effective July 1, 2010 with 50% of the total revenue to be used for destination marketing and 50% for tourism-related event support, tourism research, tourism-related capital projects, and other eligible uses as determined by city ordinance and state law.

Allocation of non-marketing bed tax receipts:

On July 7, 2010, City Council adopted Resolution No. 8390 establishing the FY 2010/11 allocation of the non-marketing fifty percent portion to be (a) 24% to the General Fund, (b) 19% for events and event development, (c) 8% for administration and research expenses and (d) 49% for capital projects. Resolution No. 8390 reserved the right for Council to modify the allocation of the non-marketing bed tax revenues for subsequent fiscal years at a later time.

On June 28, 2011, Council adopted Ordinance No. 3954 modifying the allocation of non-marketing bed tax revenues as follows:

- a. 24% to the General Fund;
- b. 18% for Events and Event Development;
- c. 8% for Administration/Research;
- d. 10% for one-time commitments to capital projects and/or events and event development or administration and research; and
- e. 40% for at least 4 different tourism-related capital projects (in the form of one-time commitments or annual commitments that support debt service).

At the end of each fiscal year, any unused non-marketing bed tax revenues in each of the categories (except the general fund category) will be transferred to the CIP fund and...

- i. Will be available for use in future years for any of the non-marketing tourism categories (except the general fund category) and
- ii. May be allocated to approved tourism projects without the limitations applicable to current year bed tax receipts, except that they may not be leveraged for new debt service payments.

From the 40% category of funds available for long-term debt service support of tourism-related capital projects, commitments and/or reservations of \$2.4 million have been approved by Council:

- \$ 600,000 for WestWorld debt associated with the 80-acre debt financing
- \$ 600,000 was reserved March 15, 2012 for long-term debt support for a western art and history museum project (until July 31, 2012)
- \$1,200,000 was approved March 20, 2012 to support debt to be issued for a capital project at the Tony Nelssen Equestrian Center (TNEC) to expand and climate control the equidome and create an event center

Bed tax receipts are forecast to reach \$13.4 million in FY 2012/13, which will provide \$6.7 million of non-marketing bed tax revenues. Adherence to the adopted policy will result in the following distributions:

- a. 24% (\$1,608,000) to the General Fund
- b. 18% (\$1,206,000) for Events and Event Development
- c. 8% (\$ 536,000) for Administration/Research
- d. 10% (\$ 670,000) for one-time commitments to capital projects and/or events and event development or administration and research; and
- e. 40% (\$2,680,000) for at least 4 different tourism-related capital projects.

Fairmont-Princess Hotel Lease Revenues:

Unrelated to the City's bed tax receipts, on March 20, 2012, through Resolution No. 8769 and the Fourth Amendment to Contract 860225 E-1-COS, the 1985 Fairmont-Princess Hotel lease agreement was amended to change the Fairmont-Princess Lease amount (from 2011 through 2014) to provide:

1. Minimum annual lease payments of \$1,500,000 plus
2. Additional lease revenue of 1.25% of gross hotel sales revenues above \$75 million plus
3. Additional lease revenue of 50% of wireless gross sales.

Based on projected gross revenues provided by the Hotel, the estimated lease revenues from this agreement will be \$1,503,200 (FY12/13); \$1,566,888 (FY13/14); \$1,613,288 (FY14/15); \$1,642,913 (FY15/16); and \$1,633,000 (FY16/17).

The Princess Hotel lease receipts have always been received into the General Fund and been available for unspecified General Fund city services. Despite this, for purposes of portraying total TPC/Princess revenues versus expenses and debt service (for debt incurred to develop the TPC), the Hotel lease revenues were often

aggregated with Tournament Player's Golf Course (TPC) lease revenues, golf surcharges, contributions from the Thunderbirds, etc. Once the TPC debt was fully repaid/defeased May 24, 2004, such aggregate revenue/expense presentations were discontinued. Some members of Council have expressed the desire that Princess Hotel lease revenues be formally designated as monies available for tourism-related capital projects.

Other Tourism Revenues:

In the future, Council may determine other revenues generated from (or related to) specific tourism projects should be dedicated to support new tourism projects (although such revenues should not be directed to this Special Revenue Fund for Tourism Development if they are otherwise supporting specific General Fund expenses). Creation of a Special Revenue Fund for Tourism Development will provide a specific fund for receipt of such revenues and a mechanism for tracking expenditures. In fact, segregation of tourism resources and expenditures for the purpose of carrying out Council's recommendations will improve financial controls and oversight.

Tourism Development Commission (TDC) purpose:

The purpose of the Tourism Development Commission (as defined in City Code Sections 2-285 through 2-289), is to advise the City Council on expenditures of the bed tax revenue designated for tourism development. Respecting the ballot initiative approved by voters on March 9, 2010 (providing the transient occupancy tax be distributed 50% for destination marketing and 50% non-destination marketing) it may be timely to update the purpose of the TDC. Specifically, if Council approves the creation of a Special Revenue Fund for Tourism Development, Council may benefit from the TDC's advice on all expenditures from this fund, not just the bed tax portions.

ANALYSIS & ASSESSMENT

Staff is recommending that Ordinance No. 4018 be adopted to create a Special Revenue Fund to be used for Council approved tourism-related activities and/or investments.

- Revenues/sources into the Special Revenue Fund will be:
 1. 100% of the 5% transient occupancy (bed) tax approved by voters; and
 2. The revenues derived from the Princess Hotel lease agreement.

Ordinance No. 4019 further provides the purpose and allocation of the revenues (and amends Financial Policy 21A):

- Expenditures/transfers from the Special Revenue Fund will be:
 1. 50% of the transient occupancy (bed) tax approved by voters to be used for tourism-marketing;
 2. \$1,500,000 for the General Fund;
 3. \$1,200,000 for Events and Event Development;
 4. \$ 500,000 for tourism-related administration and research;
 5. \$ 500,000 for one-time commitments to capital projects and/or events and event development or administration and research; and
 6. The balance (forecast \$4,500,000 in FY12/13) for tourism-related capital projects, in the form of one-time commitments or multi-year annual commitments, not to exceed \$600,000 per project.
- At the end of each fiscal year, any unused funds in the Special Revenue Fund will be will be available for use in the following year for any of the non-marketing tourism categories (except the general

fund category) and may be allocated without limitations, except that they may not be leveraged for new debt service payments.

- Additionally, Financial Policy No. 21A will be amended through this ordinance so it is conforming to and reflecting this modified allocation policy.

Finally, City Code Sections 2-285 and 2-288 will be amended through ordinance no. 4020 to restate the purpose of the Tourism Development Commission to advise the City Council on expenditures from the Special Revenue Fund for Tourism Development.

On April 17, 2012, staff met with the Tourism Development Commission and discussed the above changes. The TDC concurred unanimously with these changes.

RESOURCE IMPACTS

Adoption of this staff recommendation will have a negative impact on General Fund revenues next year and each year thereafter. Specifically, for the upcoming budget year FY 2012/13, it has been assumed the General Fund will earn receipts from the Fairmont-Princess Hotel lease agreement and also receive 24% of the budgeted non-marketing bed tax receipts. Adoption of this staff recommendation will reduce FY2012/13 revenues by \$1,609,400:

	<u>Budgeted</u>	<u>Proposed</u>	<u>Difference</u>
Princess Hotel Lease Revenues	\$1,503,200	\$ 0	\$(1,503,200)
General Fund Share of Bed Tax	<u>\$1,606,200</u>	<u>\$1,500,000</u>	<u>\$(106,200)</u>
Combined	\$3,109,400	\$1,500,000	\$(1,609,400)

Considering the negative impact to the General Fund associated with these staff recommendations, it is requested Council direct staff to (a) offset the General Fund negative impacts of changing this policy with a charge to the General Fund unreserved fund balance and/or (b) implement the proposed changes over a three-year period.

If all three ordinances are passed, staff will come back to Council to authorize transfers related to:

- Moving any FY11/12 carryover balance to the Special Revenue Fund for Tourism Development
- Moving revenue accrual in special program fund related to Convention and Visitors Bureau to the Special Revenue Fund for Tourism Development

OPTIONS & STAFF RECOMMENDATION

Adopt Ordinance No. 4018 establishing a Special Revenue Fund for Tourism Development effective July 1, 2012, which will (a) receive transient lodging (bed) taxes and lease rentals earned from the Fairmont-Princess Hotel and (b) allow for the use of such funds according to a modified allocation policy.

Adopt Ordinance No. 4019 effective July 1, 2012 which will (a) designate the purposes and allocation of revenues for the Special Revenue Fund for Tourism Development and (b) amend Financial Policy No. 21A governing allocation of the 5% transient lodging (bed) tax revenues to conform to a modified allocation policy.

Adopt Ordinance No. 4020 effective July 1, 2012 amending City Code Sec. 2-285 and 2-288 (Tourism Development Commission purpose and powers; duties; jurisdiction) to state the purpose of the Tourism Development Commission (TDC) to advise Council on all expenditures from the Special Revenue Fund for Tourism Development.

Direct staff to (a) offset the General Fund negative impacts of changing this policy with a charge to the General Fund unreserved fund balance and/or (b) implement the proposed changes over a three-year period.

Do not adopt the proposed ordinances, but provide further guidance to staff to create a different ordinance incorporating Council's recommendations.

RESPONSIBLE DEPARTMENT(S)


City Treasurer – Finance and Accounting Division

Community & Economic Development Division - Economic Vitality Department

STAFF CONTACTS (S)

David N. Smith, City Treasurer; 312-2364; dasmith@scottsdale.gov

APPROVED BY



David N. Smith, City Treasurer
480-312-2364; dasmith@scottsdale.gov

4-24-12
Date

ATTACHMENTS:

1. Ordinance 4018
2. Ordinance 4019
3. Ordinance 4020

ORDINANCE NO. 4018

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCOTTSDALE, ARIZONA ESTABLISHING A "SPECIAL REVENUE FUND FOR TOURISM DEVELOPMENT"; IDENTIFYING AND DIRECTING REVENUES TO BE DEPOSITED INTO SAID FUND; LIMITING PURPOSES FOR EXPENDITURES FROM SAID FUND; AUTHORIZING THE CITY TREASURER TO CREATE AND MONITOR SAID FUND; ESTABLISHING DELAYED EFFECTIVE DATE

WHEREAS, in March 2010, the citizens of the City of Scottsdale voted to increase the transient lodging (bed) tax from 3% to 5% effective July 2010; and

WHEREAS, the ballot measure directed that 50% of total transient lodging (bed) tax revenues be used for destination marketing and the other 50% for tourism-related event support, tourism research, tourism-related capital projects and other eligible uses as determined by city ordinance and state law; and

WHEREAS, the City receives into its General Fund 100% of the transient lodging (bed) tax collections; and

WHEREAS, the City receives payments into its General Fund pursuant to that certain document titled "Ground Lease" with the Scottsdale Princess Partnership, dated December 30, 1985, that could be dedicated to tourism-related capital projects; and

WHEREAS, the City Council deems it beneficial to formally designate revenues received under the Ground Lease with Scottsdale Princess Partnership (hereinafter "Princess Hotel") for tourism-related capital projects and no other purposes, and

WHEREAS, the City Council deems it beneficial to combine transient lodging (bed) tax receipts with the Princess Hotel lease revenues in a special revenue fund, for improved accounting and operational functions.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Scottsdale, Arizona, as follows:

Section 1. The City Council hereby establishes a special revenue fund, to be known as the "Special Revenue Fund for Tourism Development."

Section 2. One hundred percent (100%) of transient lodging (bed) tax revenues and one hundred percent (100%) of Princess Hotel lease payments shall be received into the Special Revenue Fund for Tourism Development."

Section 3. Funds received into the Special Revenue Fund for Tourism Development may only be spent for identified purposes, as determined by the Council through ordinance.

Section 4. The City Treasurer, or his designee, shall take all appropriate and necessary action to create this fund in the City's financial books and records and shall monitor all transactions into and out of this fund for conformity with approved purposes.

Ordinance No. 4018

Section 5. This Ordinance shall be effective for the fiscal year beginning July 1, 2012.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona this _____ day of May, 2012.

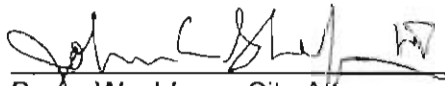
CITY OF SCOTTSDALE, an Arizona
Municipal Corporation

By: _____
W. J. "Jim" Lane
Mayor

ATTEST:

Carolyn Jagger, City Clerk

APPROVED AS TO FORM:



Bruce Washburn, City Attorney
By: John C. Shafer, III
Assistant City Attorney

ORDINANCE NO. 4019

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCOTTSDALE, ARIZONA; DESIGNATING THE PURPOSES AND ALLOCATION OF REVENUES FOR THE "SPECIAL REVENUE FUND FOR TOURISM DEVELOPMENT"; AMENDING FINANCIAL POLICY 21A IN CONFORMITY THEREWITH; ESTABLISHING DELAYED EFFECTIVE DATE

WHEREAS, in Ordinance No. 4018 the City Council did establish the "Special Revenue Fund for Tourism Development" and identify which revenues it shall receive; and

WHEREAS, said ordinance expressly stated that the permitted purposes for expenditures would be established through related ordinance; and

WHEREAS, the City Council wishes to establish the permitted purposes for expenditures; and

WHEREAS, establishing the permitted purposes for expenditures necessitate an amendment to City Council's Financial Policy 21A;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Scottsdale, Arizona, as follows:

Section 1. The City Council hereby establishes that the permitted purposes of, and corollary expenditures and transfers from, the monies annually received into the Special Revenue Fund for Tourism Development" through Ordinance No. 4018 are limited to:

1. 50% of the transient lodging (bed) tax revenues approved by voters to be used for tourism-marketing;
2. \$1,500,000 for the General Fund;
3. \$1,200,000 for Events and Event Development;
4. \$500,000 for tourism-related administration and research;
5. \$500,000 for one-time commitments to capital projects, events and event development, or administration and research; and
6. The balance for tourism-related capital projects, in the form of one-time commitments or multi-year annual commitments, not to exceed \$600,000 per project.

At the end of each fiscal year, any unused funds in the Special Revenue Fund for Tourism Development will be available for use in subsequent years for any of the non-marketing tourism categories (except the general fund category) and may be allocated without limitations, except that they may not be leveraged for multi-year commitments, such as debt service payments.

Section 2. Financial Policy 21A, as adopted through Ordinance No. 3954, is hereby amended to be in conformity with Section 1 of this Ordinance. Revised Financial Policy 21A is attached hereto as "Exhibit A", and hereby incorporated by this reference as if fully set forth herein.

Section 3. This Ordinance shall be effective for the fiscal year beginning July 1, 2012.

Ordinance No. 4019

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona this _____ day of May, 2012.

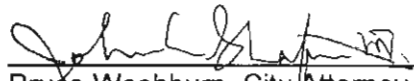
CITY OF SCOTTSDALE, an Arizona
Municipal Corporation

By: _____
W. J. "Jim" Lane
Mayor

ATTEST:

Carolyn Jagger, City Clerk

APPROVED AS TO FORM:



Bruce Washburn, City Attorney
By John C. Shafer, III
Assistant City Attorney

Exhibit A
Financial Policy No. 21A

One hundred percent (100%) of the transient lodging (bed) taxes received by City shall be deposited into the Special Revenue Fund for Tourism Development. Additionally, the Special Revenue Fund for Tourism Development shall receive one hundred percent (100%) of Princess Hotel lease revenues.

As approved by voters, fifty percent (50%) of the transient lodging (bed) tax revenues will be used for tourism-marketing. Use of remaining Special Revenue Fund for Tourism Development revenues will be allocated annually as follows:

- \$1,500,000 for the General Fund;
- \$1,200,000 for Events and Event Development;
- \$500,000 for tourism-related administration and research;
- \$500,000 for one-time commitments to capital projects, events and event development, or administration and research;
- The balance for tourism-related capital projects, in the form of one-time commitments or multi-year annual commitments, not to exceed \$600,000 per project.

At the end of each fiscal year, any unused funds in the Special Revenue Fund for Tourism Development will be available for use in following years for any of the non-marketing tourism categories (except the general fund category) and may be allocated without limitations, except that they may not be leveraged for multi-year annual commitments, such as debt service payments.

ORDINANCE NO. 4020

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCOTTSDALE, ARIZONA AMENDING SCOTTSDALE REVISED CODE SEC. 2-285 AND SEC. 2-288 RELATING TO THE TOURISM DEVELOPMENT COMMISSION; ESTABLISHING DELAYED EFFECTIVE DATE; ESTABLISHING CONTINUOUS AUTHORITY OF TOURISM DEVELOPMENT COMMISSION.

WHEREAS, the City Council, through Ordinance No. 4018, established the "Special Revenue Fund for Tourism Development"; and

WHEREAS, the City Council, through Ordinance No. 4019, amended Financial Policy 21A to set forth the permitted purposes and allocations for revenues received by the Special Revenue Fund for Tourism Development; and

WHEREAS, the Special Revenue Fund for Tourism Development receives Princess Hotel lease revenues in addition to transient lodging (bed) tax revenues; and

WHEREAS, the City Council deems it beneficial for the Tourism Development Commission to act in an advisory capacity as to all monies received by the Special Revenue Fund for Tourism Development; and

WHEREAS, the adoption of Financial Policy 21A was via ordinance, certain existing language in the City Code may now be located within the Tourism Development Commission's by-laws.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Scottsdale, Arizona, as follows:

Section 1. Scottsdale Revised Code Secs. 2-285 and 2-288 are hereby amended as set forth in "Exhibit A", attached hereto and incorporated by reference as if set forth in its entirety. New language is indicated by shaded format, deletions are indicated by strikethrough format.

Section 2. This Ordinance shall be effective July 1, 2012.

Section 3. Nothing contained in this Ordinance shall negate the ability of the Tourism Development Commission to continue to act on business that arose prior to July 1, 2012 under and pursuant to the applicable legal authority then in effect.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona this _____ day of May, 2012.

Ordinance No. 4020

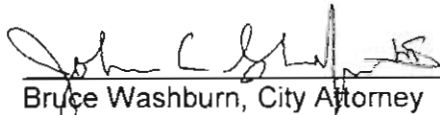
CITY OF SCOTTSDALE, an Arizona
Municipal Corporation

By: _____
W. J. "Jim" Lane
Mayor

ATTEST:

Carolyn Jagger, City Clerk

APPROVED AS TO FORM:



Bruce Washburn, City Attorney
By: John C. Shafer, III
Assistant City Attorney

Ordinance No. 4020

EXHIBIT A

Sec. 2-285. Purpose

It shall be the purpose of the tourism development commission to act as an advisory board to the city council on matters concerning the expenditure of revenues from the ~~transaction privilege tax on transient lodging (bed tax)~~ Special Revenue Fund for Tourism Development designated for tourism development.

Sec. 2-288. Powers; duties; jurisdiction.

The tourism development commission shall recommend to the city council approval, conditional approval, or denial of all uses of funds from that portion of revenues from the ~~transaction privilege tax on transient lodging~~ Special Revenue Fund for Tourism Development which is ~~are~~ designated for tourism development ("tourism funds").

~~(1) — Tourism funds shall be allocated among three (3) types of programs:~~

- ~~a. *Convention/tourism promotion.* Funds shall be allocated annually in accordance with the adopted strategic marketing plan set forth in section 2-289(c). This category will include promotion of the community as a destination and the promotion of specific events which meet the criteria set forth in subsections (2), (3), (4) and (5) of this section.~~
- ~~b. *Visitor research.* Funds shall be allocated annually for research projects designed to provide information about visitors for more effective product planning and tourism marketing and development purposes.~~
- ~~c. *Capital projects.* The balance of the funds designated for tourism development after provision for convention/tourism promotion and visitor research shall be allocated to the development of visitor-related public capital projects.~~

~~(2) — Tourism funds shall be allocated to projects which will attract new visitors to Scottsdale, as measured by room nights in Scottsdale lodging properties.~~

~~(3) — Tourism funds shall be allocated to projects which will attract visitors to Scottsdale year round.~~

~~(4) — Tourism funds shall be allocated to projects which meet such other criteria as are established by the tourism development commission to ensure that projects which are recommended for approval by the city council, meet the intent of this division.~~

~~(5) — Tourism funds may be allocated annually for events of historic significance to the community attended primarily by local residents.~~



Special Revenue Fund for Tourism Development

May 8, 2012

Prepared by: Finance and Accounting Division



Special Revenue Fund for Tourism Development

History

March 9, 2010 election increased bed tax from 3% to 5% and established half to be used for destination marketing and half for tourism development.

June 28, 2011 Council established a methodology for allocating tourism development revenues: 24% for General Fund; 18% for events; 8% for admin/research; 10% for one-time capital and/or events; 40% for long-term capital commitments.



Special Revenue Fund for Tourism Development

Recommendation #1:

All bed tax receipts should be received into and disbursed from a *Special Revenue Fund for Tourism Development*:

- Avoids any confusion with funds received into and then disbursed from the General Fund.
- Improves transparency of tourism commitment/purpose and clarity of understanding.
- Allows for periodic financial reporting of Fund status and performance.



Special Revenue Fund for Tourism Development

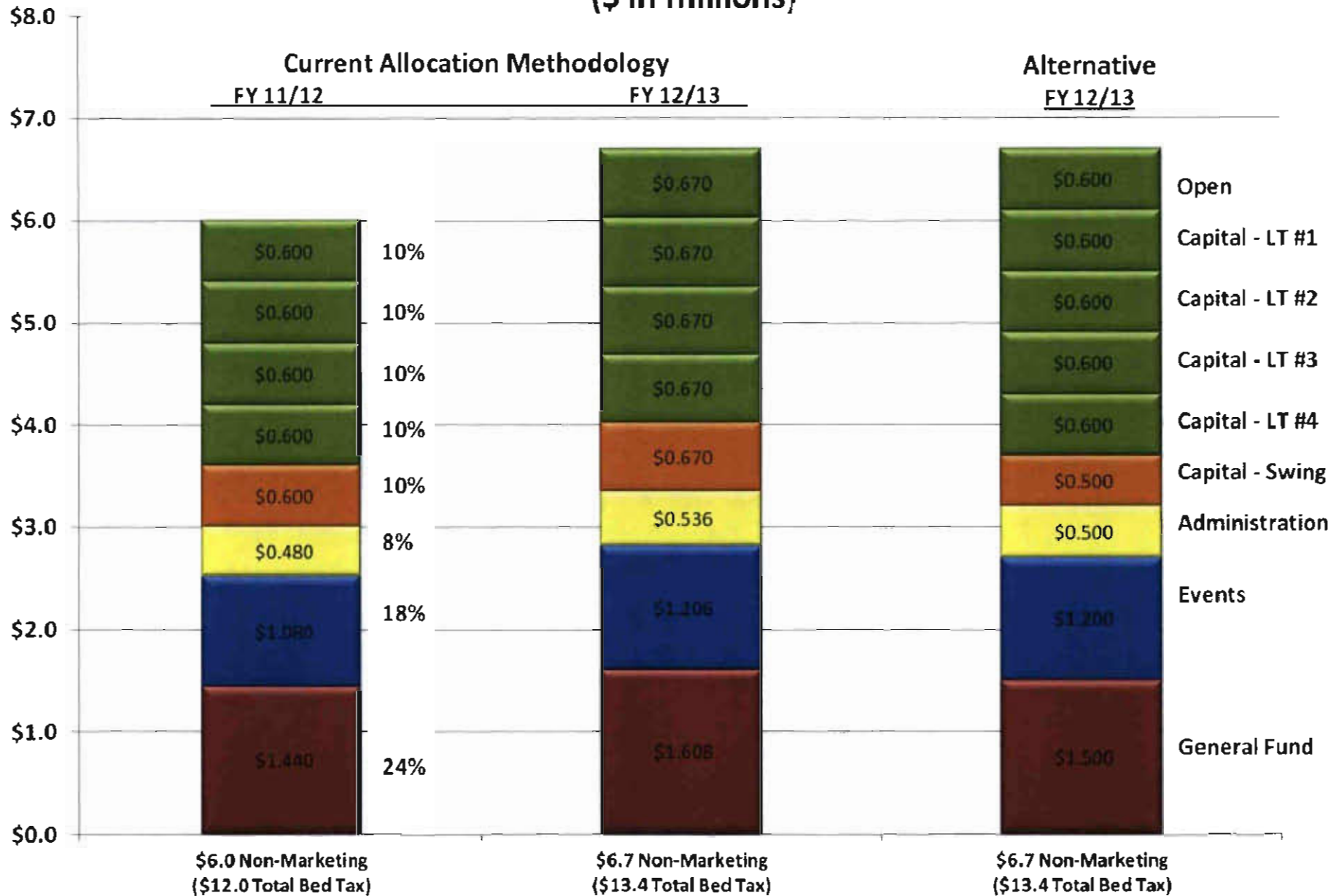
Recommendation #2: Allocation Alternative

Currently: If/when bed tax receipts grow, the allocation methodology causes an increase in *each* segment, but prevents the creation of any new allocable segment(s).

Proposed: Alternatively, allocate non-marketing tourism development funds as *fixed dollar amounts*, rather than percentage shares.

Bed Tax Allocation Alternatives

(\$ in millions)





Special Revenue Fund for Tourism Development

Recommendation #3: Include Hotel Lease Revenues

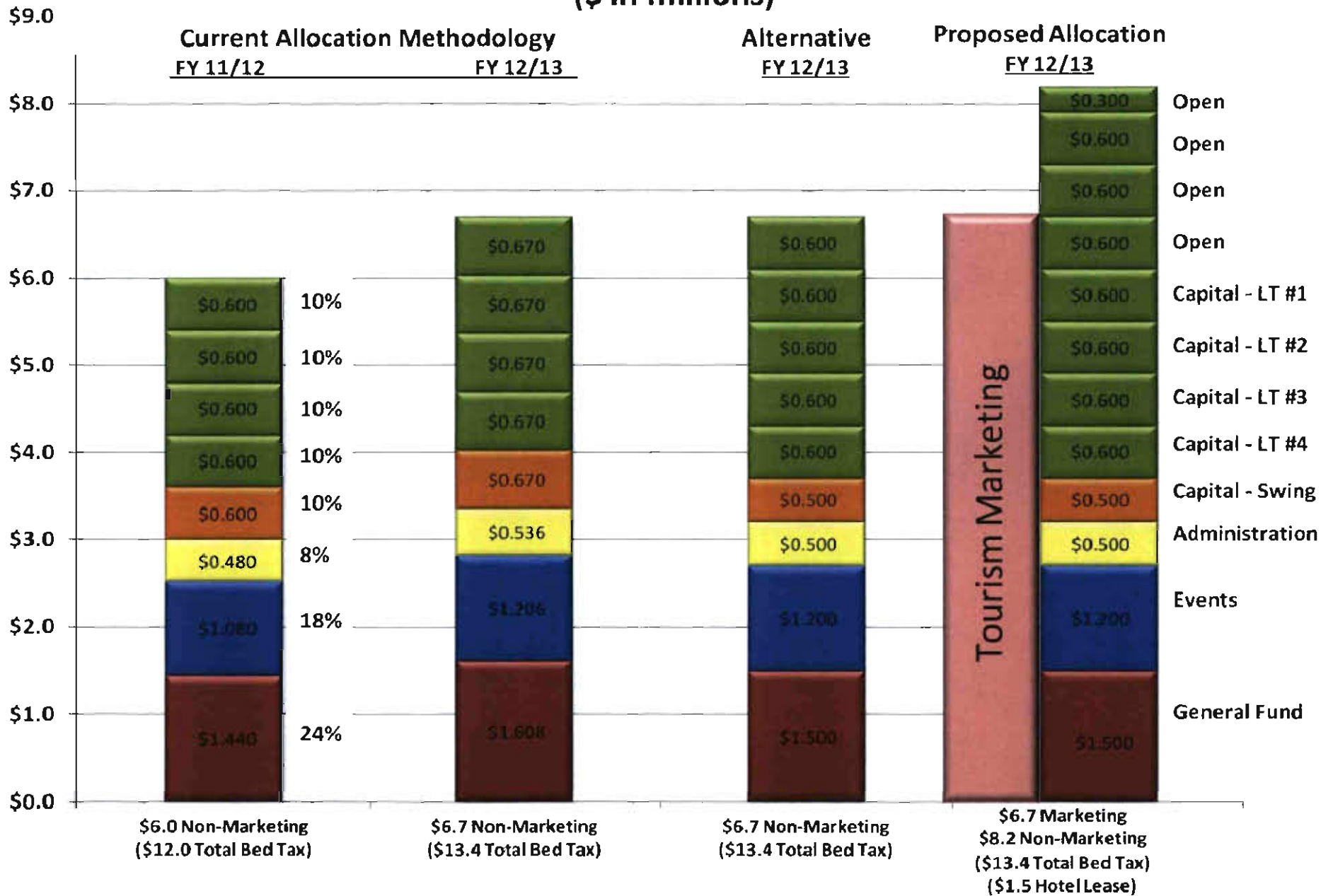
Fairmont-Princess Hotel generates an estimated \$1.5 million annual lease revenues.

Revenues were historically considered tourism related (e.g. as an offset to TPC course financing.)

Since 2004, hotel lease revenues have been included as General Fund, unencumbered receipts.

Bed Tax Allocation Alternatives

(\$ in millions)





Special Revenue Fund for Tourism Development

Recommendation #4: Changes to Purpose of TDC

Change purpose from “*advisor on expenditure of bed tax funds*” to “*advisor on expenditure of tourism development funds.*”

Delete restrictive/prescriptive language limiting the advisory scope of the TDC.



Special Revenue Fund for Tourism Development

Summary and Recommendations

Adopt Ordinance #4018, creating a *Special Revenue Fund for Tourism Development* to receive all bed tax funds and Princess-Fairmont Hotel lease revenues.

Adopt Ordinance #4019, modifying the allocation methodology from percentage to dollar amount.

Adopt Ordinance #4020, restating the purpose of the TDC and removing limits on their advisory role.

Direct staff to offset any FY 2012/13 General Fund negative impact against the unreserved fund balance.

Item 33

Special Revenue Fund for Tourism Development

May 8, 2012

Prepared by: Finance and Accounting Division

Special Revenue Fund for Tourism Development

History

March 9, 2010 election increased bed tax from 3% to 5% and established half to be used for destination marketing and half for tourism development.

June 28, 2011 Council established a methodology for allocating tourism development revenues: 24% for General Fund; 18% for events; 8% for admin/research; 10% for one-time capital and/or events; 40% for long-term capital commitments.

Special Revenue Fund for Tourism Development

Recommendation #1:

- All bed tax receipts should be received into and disbursed from a *Special Revenue Fund for Tourism Development*:
 - Avoids any confusion with funds received into and then disbursed from the General Fund.
 - Improves transparency of tourism commitment/purpose and clarity of understanding.
 - Allows for periodic financial reporting of Fund status and performance.

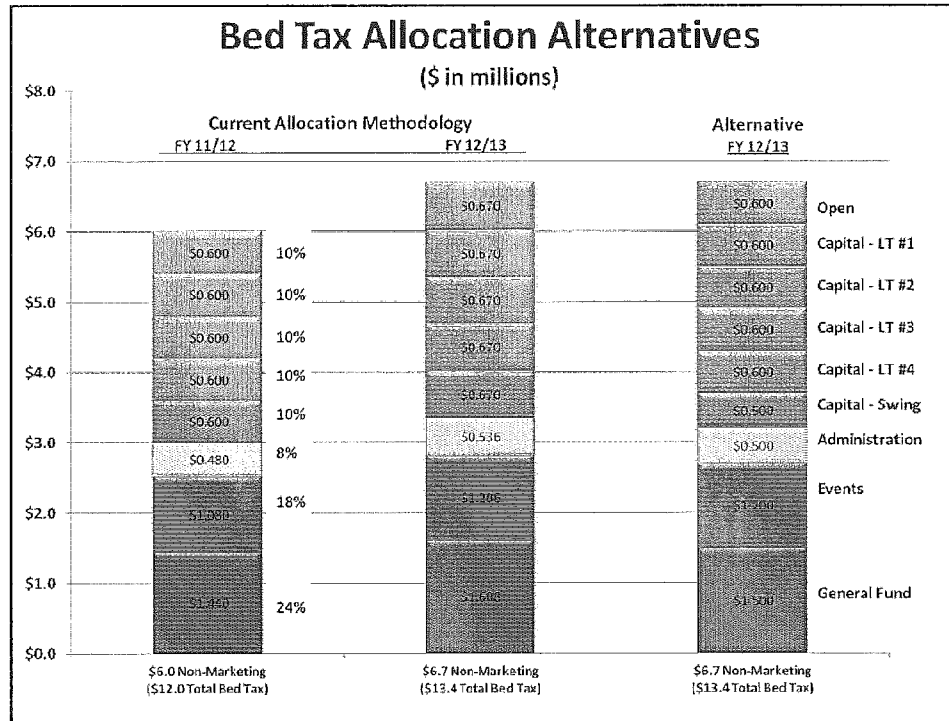
Special Revenue Fund for Tourism Development

Recommendation #2:

Allocation Alternative

Currently: If/when bed tax receipts grow, the allocation methodology causes an increase in *each* segment, but prevents the creation of any new allocable segment(s).

Proposed: Alternatively, allocate non-marketing tourism development funds as *fixed dollar amounts*, rather than percentage shares.

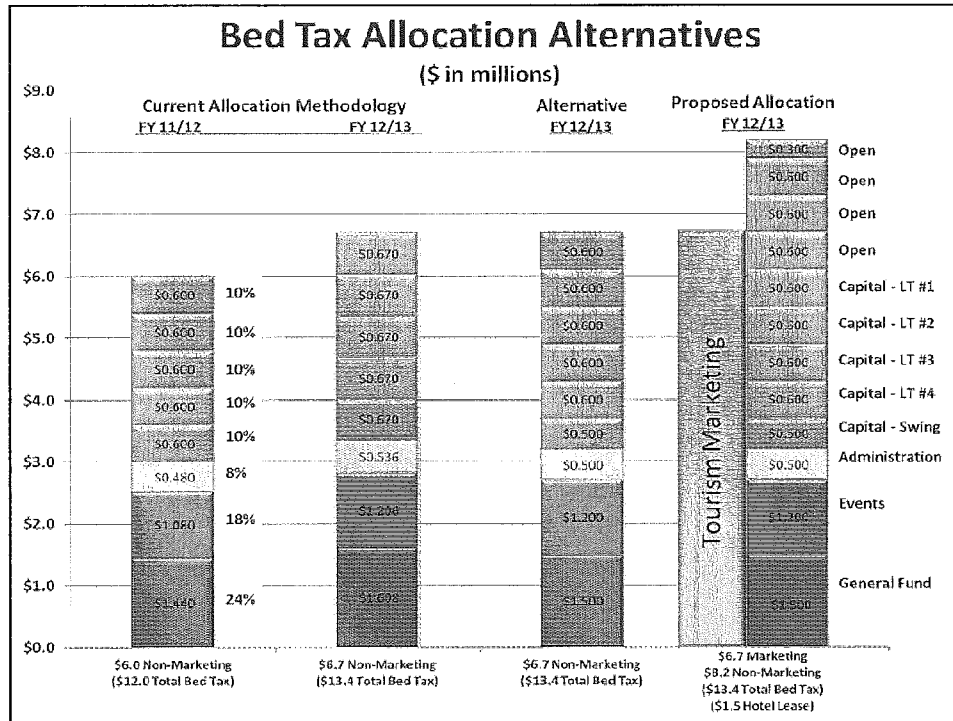


Special Revenue Fund for Tourism Development

Recommendation #3:

Include Hotel Lease Revenues

- Fairmont-Princess Hotel generates an estimated \$1.5 million annual lease revenues.
- Revenues were historically considered tourism related (e.g. as an offset to TPC course financing.)
- Since 2004, hotel lease revenues have been included as General Fund, unencumbered receipts.



Special Revenue Fund for Tourism Development

Recommendation #4:

Changes to Purpose of TDC

- Change purpose from “*advisor on expenditure of bed tax funds*” to “*advisor on expenditure of tourism development funds.*”
- Delete restrictive/prescriptive language limiting the advisory scope of the TDC.

Special Revenue Fund for Tourism Development

Summary and Recommendations

- Adopt Ordinance #4018, creating a *Special Revenue Fund for Tourism Development* to receive all bed tax funds and Princess-Fairmont Hotel lease revenues.
- Adopt Ordinance #4019, modifying the allocation methodology from percentage to dollar amount.
- Adopt Ordinance #4020, restating the purpose of the TDC and removing limits on their advisory role.
- Direct staff to offset any FY 2012/13 General Fund negative impact against the unreserved fund balance.

Prop 200 Ballot Language 2010 –

PROPOSED AMENDMENT TO SECTION 447, ARTICLE IV, APPENDIX C OF THE SCOTTSDALE REVISED CODE SUBMITTED TO THE PEOPLE BY THE SCOTTSDALE CITY COUNCIL OFFICIAL TITLE: SHALL SECTION 447, ARTICLE IV, APPENDIX C, OF THE SCOTTSDALE REVISED CODE, RELATING TO THE TRANSIENT LODGING TAX, BE AMENDED?

DESCRIPTIVE TITLE: This proposition would increase the amount of transient lodging (“bed”) tax required to be paid by hotels on gross income from 3% to 5%, and would use 50% of the total revenue for destination marketing and 50% for tourism-related event support, tourism research, tourism-related capital projects, and other eligible uses.

A "yes" vote shall have the effect of increasing the rate of tax charged to hotels on transient lodging from 3% to 5% of gross income, and would cause 50% of the total revenue to be used for destination marketing and 50% for tourism-related event support, tourism research, tourism-related capital projects, and other eligible uses as determined by city ordinance and state law.

A "no" vote shall have the effect of continuing the present rate of tax on transient lodging of 3% of gross income, 80% of which is currently required to be used for hospitality development, including destination and event promotion, visitor-related capital projects and visitor research.

Comprehensive Financial Policies & Governing Guidance – *Proposed for FY 2018/19*

21A. One hundred percent (100%) of the transient lodging (bed) taxes received by the city shall be deposited into the Special Revenue Fund for Tourism Development (~~Tourism Development Fund~~). Additionally, the ~~Special Revenue Fund for~~ Tourism Development Fund shall receive one hundred percent (100%) of Princess Hotel lease revenues.

~~TAs approved by the voters, fifty percent (50%) of the transient lodging (bed) tax revenues will be used for tourism marketing. Use of the remaining Special Revenue Fund for Tourism Development revenues will be~~ allocated annually as follows:

- Fifty percent (50%) for destination marketing, as approved by the voters;
- ~~\$1,500,000~~Eleven percent (11%) for the General Fund;
- ~~\$1,200,000~~Seven percent (7%) for tourism-related ~~E~~events and ~~E~~event ~~D~~development;
- ~~\$500,000~~Six percent (6%) for tourism-related administration and research;
- ~~\$500,000 for one-time commitments to capital projects, events and event development, or administration and research;~~
- Twenty-six percent (26%), plus the lease payments on the Princess Resort, or ~~the~~ the balance of the remaining Tourism Development Fund revenues, for tourism -related operating expenses, capital projects and/or operating impacts that are directly associated with tourism-related capital projects, in the form of one-time commitments or multi-year annual commitments, not to exceed \$600,000 per ~~project~~commitment unless otherwise approved by City Council.

At the end of each fiscal year, any unused funds in the ~~Special Revenue Fund for~~ Tourism Development Fund will be available for use in following years for any of the non-marketing tourism categories (except the general fund category) and may be allocated without limitations, except that they may not be leveraged for multi-year annual commitments, such as debt service payments.

In the event of a decrease in Tourism Development Fund revenues, debt service is the priority and will be met first.

City of Scottsdale
Tourism Development Fund
Current Allocation Method

	Current Allocation					
	FY 2017/18 Estimate	FY 2018/19 Estimate	FY 2019/20 Estimate	FY 2020/21 Estimate	FY 2021/22 Estimate	FY 2022/23 Estimate
REVENUE						
Bed Tax ¹	19,441,159	20,063,300	20,665,200	21,285,100	21,923,700	21,923,700
Princess Lease	1,667,227	1,708,900	1,743,100	1,760,500	1,778,100	1,778,100
Event Notification and Survey Program	13,500	13,500	13,500	13,500	13,500	13,500
Miscellaneous	7,000	7,000	7,000	7,000	7,000	7,000
TOURISM REVENUES	21,128,886	21,792,700	22,428,800	23,066,100	23,722,300	23,722,300
EXPENSES						
Destination Marketing	(9,720,580)	(10,031,650)	(10,332,600)	(10,642,550)	(10,961,850)	(10,961,850)
General Fund Allocation	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)	(1,500,000)
Event Retention and Development	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
Administrative/Other Professional Services	(497,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
One-time commitments	-	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)
	(12,917,580)	(13,731,650)	(14,032,600)	(14,342,550)	(14,661,850)	(14,661,850)
Multi-year Commitments for Capital Projects						
WestWorld debt service (80-acres started FY2006/07, ends FY2034/35)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)
TNEC Equestrian Center debt service (started FY2012/13, ends FY2032/33)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
Museum of the West debt service (started FY2014/15, ends FY2033/34)	(891,763)	(893,000)	(889,200)	(889,500)	(893,900)	(893,900)
TPC renovations debt service (started FY2014/15, ends FY2033/34)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)
Future commitments	-	(600,000)	(1,200,000)	(1,800,000)	(2,400,000)	(3,000,000)
Total Capital Projects	(3,591,763)	(4,193,000)	(4,789,200)	(5,389,500)	(5,993,900)	(6,593,900)
TOTAL EXPENSES	(16,509,343)	(17,924,650)	(18,821,800)	(19,732,050)	(20,655,750)	(21,255,750)
CARRYOVER						
Beginning Balance	12,849,838	12,748,453	15,871,676	18,733,849	21,323,072	23,644,795
Current year fund balance - <i>available for capital/operating expenses related to capital projects (up to \$600,000 per commitment)</i>	4,619,543	3,868,050	3,607,000	3,334,050	3,066,550	2,466,550
TOTAL CARRYOVER FUNDS	17,469,381	16,616,503	19,478,676	22,067,899	24,389,622	26,111,345
Carryover Uses	(4,720,928)	(744,827)	(744,827)	(744,827)	(744,827)	(744,827)
ENDING BALANCE	12,748,453	15,871,676	18,733,849	21,323,072	23,644,795	25,366,518

City of Scottsdale
Tourism Development Fund
Percentage Allocation

	Current Allocation	Proposed Allocation				
	FY 2017/18 Estimate	FY 2018/19 Estimate	FY 2019/20 Estimate	FY 2020/21 Estimate	FY 2021/22 Estimate	FY 2022/23 Estimate
REVENUE						
Bed Tax	19,441,159	20,063,300	20,665,200	21,285,100	21,923,700	21,923,700
Princess Lease	1,667,227	1,708,900	1,743,100	1,760,500	1,778,100	1,778,100
Event Notification and Survey Program	13,500	13,500	13,500	13,500	13,500	13,500
Miscellaneous	7,000	7,000	7,000	7,000	7,000	7,000
TOURISM REVENUES	21,128,886	21,792,700	22,428,800	23,066,100	23,722,300	23,722,300
EXPENSES						
Destination Marketing	(9,720,580)	(10,031,650)	(10,332,600)	(10,642,550)	(10,961,850)	(10,961,850)
General Fund Allocation	(1,500,000)	(2,206,963)	(2,273,172)	(2,341,361)	(2,411,607)	(2,411,607)
Event Retention and Development	(1,200,000)	(1,404,431)	(1,446,564)	(1,489,957)	(1,534,659)	(1,534,659)
Administrative/Other Professional Services	(497,000)	(1,203,798)	(1,239,912)	(1,277,106)	(1,315,422)	(1,315,422)
One-time commitments	-	-	-	-	-	-
	(12,917,580)	(14,846,842)	(15,292,248)	(15,750,974)	(16,223,538)	(16,223,538)
Multi-year Commitments for Capital Projects						
WestWorld debt service (80-acres started FY2006/07, ends FY2034/35)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)
TNEC Equestrian Center debt service (started FY2012/13, ends FY2032/33)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
Museum of the West debt service (started FY2014/15, ends FY2033/34)	(891,763)	(893,000)	(889,200)	(889,500)	(893,900)	(893,900)
TPC renovations debt service (started FY2014/15, ends FY2033/34)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)
Future commitments	-	(600,000)	(1,200,000)	(1,800,000)	(2,400,000)	(3,000,000)
Total Capital Projects	(3,591,763)	(4,193,000)	(4,789,200)	(5,389,500)	(5,993,900)	(6,593,900)
TOTAL EXPENSES	(16,509,343)	(19,039,842)	(20,081,448)	(21,140,474)	(22,217,438)	(22,817,438)
CARRYOVER						
Beginning Balance	12,849,838	12,748,453	14,756,484	16,359,009	17,539,808	18,299,843
Current year fund balance - <i>available for capital/operating expenses related to capital projects (up to \$600,000 per commitment)</i>	4,619,543	2,752,858	2,347,352	1,925,626	1,504,862	904,862
TOTAL CARRYOVER FUNDS	17,469,381	15,501,311	17,103,836	18,284,635	19,044,670	19,204,705
Carryover Uses	(4,720,928)	(744,827)	(744,827)	(744,827)	(744,827)	(744,827)
ENDING BALANCE	12,748,453	14,756,484	16,359,009	17,539,808	18,299,843	18,459,878

City of Scottsdale
Tourism Development Fund
 (-24% one year impact)

	Current Allocation	Proposed Allocation				
	FY 2017/18 Estimate	FY 2018/19 Estimate	FY 2019/20 Estimate	FY 2020/21 Estimate	FY 2021/22 Estimate	FY 2022/23 Estimate
REVENUE						
Bed Tax	19,441,159	20,063,300	20,665,200	16,176,676	16,661,976	17,161,835
Princess Lease	1,667,227	1,708,900	1,743,100	1,760,500	1,778,100	1,778,100
Event Notification and Survey Program	13,500	13,500	13,500	13,500	13,500	13,500
Miscellaneous	7,000	7,000	7,000	7,000	7,000	7,000
TOURISM REVENUES	21,128,886	21,792,700	22,428,800	17,957,676	18,460,576	18,960,435
EXPENSES						
Destination Marketing	(9,720,580)	(10,031,650)	(10,332,600)	(8,088,338)	(8,330,988)	(8,580,918)
General Fund Allocation	(1,500,000)	(2,206,963)	(2,273,172)	(1,779,434)	(1,832,817)	(1,887,802)
Event Retention and Development	(1,200,000)	(1,404,431)	(1,446,564)	(1,132,367)	(1,166,338)	(1,201,328)
Administrative/Other Professional Services	(497,000)	(1,203,798)	(1,239,912)	(970,601)	(999,719)	(1,029,710)
One-time commitments	-	-	-	-	-	-
	(12,917,580)	(14,846,842)	(15,292,248)	(11,970,740)	(12,329,862)	(12,699,758)
Multi-year Commitments for Capital Projects						
WestWorld debt service (80-acres started FY2006/07, ends FY2034/35)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)
TNEC Equestrian Center debt service (started FY2012/13, ends FY2032/33)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
Museum of the West debt service (started FY2014/15, ends FY2033/34)	(891,763)	(893,000)	(889,200)	(889,500)	(893,900)	(893,900)
TPC renovations debt service (started FY2014/15, ends FY2033/34)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)
Future commitments	-	(600,000)	(1,200,000)	(1,800,000)	(2,400,000)	(3,000,000)
Total Capital Projects	(3,591,763)	(4,193,000)	(4,789,200)	(5,389,500)	(5,993,900)	(6,593,900)
TOTAL EXPENSES	(16,509,343)	(19,039,842)	(20,081,448)	(17,360,240)	(18,323,762)	(19,293,658)
CARRYOVER						
Beginning Balance	12,849,838	12,748,453	14,756,484	16,359,009	16,211,618	15,603,604
Current year fund balance - <i>available for capital/operating expenses related to capital projects (up to \$600,000 per commitment)</i>	4,619,543	2,752,858	2,347,352	597,436	136,814	(333,223)
TOTAL CARRYOVER FUNDS	17,469,381	15,501,311	17,103,836	16,956,445	16,348,431	15,270,382
Carryover Uses	(4,720,928)	(744,827)	(744,827)	(744,827)	(744,827)	(744,827)
ENDING BALANCE	12,748,453	14,756,484	16,359,009	16,211,618	15,603,604	14,525,555

City of Scottsdale
Tourism Development Fund
 (-4% 3 year impact)

Item 4d

	Current Allocation	Proposed Allocation				
	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
REVENUE						
Bed Tax	19,441,159	20,063,300	20,665,200	19,838,592	19,045,049	18,283,248
Princess Lease	1,667,227	1,708,900	1,743,100	1,760,500	1,778,100	1,778,100
Event Notification and Survey Program	13,500	13,500	13,500	13,500	13,500	13,500
Miscellaneous	7,000	7,000	7,000	7,000	7,000	7,000
TOURISM REVENUES	21,128,886	21,792,700	22,428,800	21,619,592	20,843,649	20,081,848
EXPENSES						
Destination Marketing	(9,720,580)	(10,031,650)	(10,332,600)	(9,919,296)	(9,522,525)	(9,141,624)
General Fund Allocation	(1,500,000)	(2,206,963)	(2,273,172)	(2,182,245)	(2,094,955)	(2,011,157)
Event Retention and Development	(1,200,000)	(1,404,431)	(1,446,564)	(1,388,701)	(1,333,153)	(1,279,827)
Administrative/Other Professional Services	(497,000)	(1,203,798)	(1,239,912)	(1,190,316)	(1,142,703)	(1,096,995)
One-time commitments	-	-	-	-	-	-
	(12,917,580)	(14,846,842)	(15,292,248)	(14,680,558)	(14,093,336)	(13,529,604)
Multi-year Commitments for Capital Projects						
WestWorld debt service (80-acres started FY2006/07, ends FY2034/35)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)	(600,000)
TNEC Equestrian Center debt service (started FY2012/13, ends FY2032/33)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
Museum of the West debt service (started FY2014/15, ends FY2033/34)	(891,763)	(893,000)	(889,200)	(889,500)	(893,900)	(893,900)
TPC renovations debt service (started FY2014/15, ends FY2033/34)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)	(900,000)
Future commitments	-	(600,000)	(1,200,000)	(1,800,000)	(2,400,000)	(3,000,000)
Total Capital Projects	(3,591,763)	(4,193,000)	(4,789,200)	(5,389,500)	(5,993,900)	(6,593,900)
TOTAL EXPENSES	(16,509,343)	(19,039,842)	(20,081,448)	(20,070,058)	(20,087,236)	(20,123,504)
CARRYOVER						
Beginning Balance	12,849,838	12,748,453	14,756,484	16,359,009	17,163,716	17,175,302
Current year fund balance - <i>available for capital/operating expenses related to capital projects (up to \$600,000 per commitment)</i>	4,619,543	2,752,858	2,347,352	1,549,534	756,413	(41,656)
TOTAL CARRYOVER FUNDS	17,469,381	15,501,311	17,103,836	17,908,543	17,920,129	17,133,646
Carryover Uses	(4,720,928)	(744,827)	(744,827)	(744,827)	(744,827)	(744,827)
ENDING BALANCE	12,748,453	14,756,484	16,359,009	17,163,716	17,175,302	16,388,819

AVERAGE ROOM RATES AND OCCUPANCY

Average Room Rates

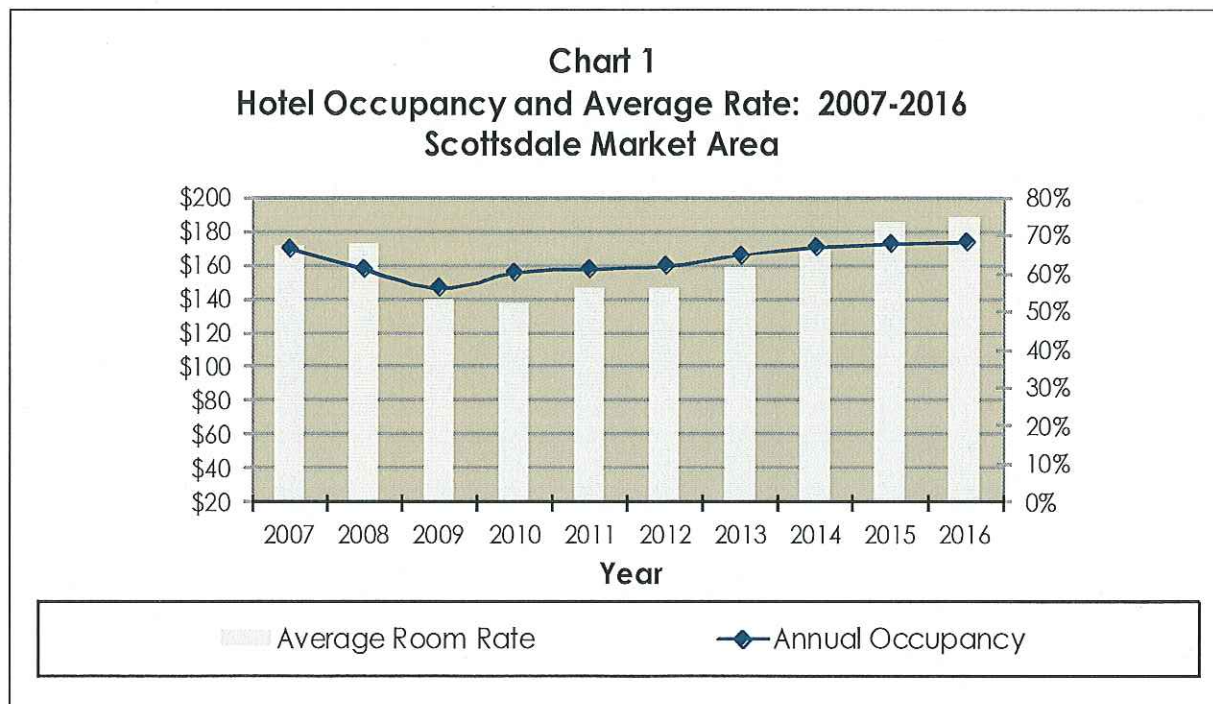
The Tourism and Events Department uses data from Smith Travel Research (STR). This research provides the city an indication of trending and competitive performance.

Chart 1 illustrates the average room rates within the Scottsdale Market area since 2007. Table 7 represents the same data. Smith Travel Research reported the average room rate for Scottsdale/ Paradise Valley Market area hotels in 2016 was \$188.29, up from \$184.85 in 2015.

Average Occupancy

According to STR, hotels in the Scottsdale/Paradise Valley Market area experienced an occupancy rate of 68.1 percent in 2016, a slight increase from 67.7 percent in 2015.

Occupancy rates for the last ten years are shown on Table 7 (p. 18) & illustrated in Chart 1.



TRENDS IN ROOM INVENTORY

Room Supply

Table 4 reflects hotel room supply inventory for the study market area since 2007. Market area room inventory declined in 2009. However, in 2010 through 2012 there were slight increases in room inventory with decreases in 2013 through 2016. Overall, the market has grown by over 4.6 percent—715 rooms—during the past ten years.

Table 5a shows the room inventory of the City of Scottsdale by category.

Table 5b shows the room inventory of the Town of Paradise Valley by category.

Table 5c shows the room inventory of the surrounding market areas by category.

Table 4 Hotel Inventory <i>Total Hotel Market Area Properties</i>				
Year	City of Scottsdale	Town of Paradise Valley	Other Market Area Hotels	Total
2007	9,167	1,572	4,606	15,345
2008	9,444	1,865	4,928	16,237
2009	9,397	1,864	4,889	16,150
2010	9,354	1,862	5,375	16,591
2011	9,332	1,864	5,539	16,735
2012	9,378	1,863	5,517	16,758
2013	9,391	1,864	5,490	16,745
2014	8,997	1,695	5,609	16,301
2015	8,971	1,697	5,593	16,261
2016	8,727	1,693	5,640	16,060

Source: Smith Travel Research (STR); City of Scottsdale, Tourism & Events Department

Note: Only hotel properties with 25 or more rooms are included

Table 5a Room Inventory by Category* <i>City of Scottsdale - 2016</i>			Table 5b Room Inventory by Category* <i>Town of Paradise Valley - 2016</i>			Table 5c Room Inventory by Category* <i>Other Market Areas - 2016</i>		
Category	# of Rooms	% of Market	Category	# of Rooms	% of Market	Category	# of Rooms	% of Market
Resort	3,917	45%	Resort	1,637	97%	Resort	3,369	60%
Full Service	1,854	21%	Full Service	30	2%	Full Service	586	10%
Limited	2,956	34%	Limited	26	2%	Limited	1,685	30%
Total	8,727	100%	Total	1,693	100%	Total	5,640	100%

Source: Smith Travel Research, Tourism & Events Department

Date Created: Dec 15, 2017

City of Scottsdale, AZ

For the Month of November 2017

Item 4f



Table Of Contents	1
Trend Scottsdale AZ+	2
Response Scottsdale AZ+	3
Seg Trend Scottsdale AZ+	4
Seg Trend Raw Scottsdale AZ+	5
Seg Response Scottsdale AZ+	6
Trend Scottsdale Downtown+	7
Response Scottsdale Downtown+	8
Trend Scottsdale Middle+	9
Response Scottsdale Middle+	10
Trend Scottsdale North+	11
Response Scottsdale North+	12
Help	13

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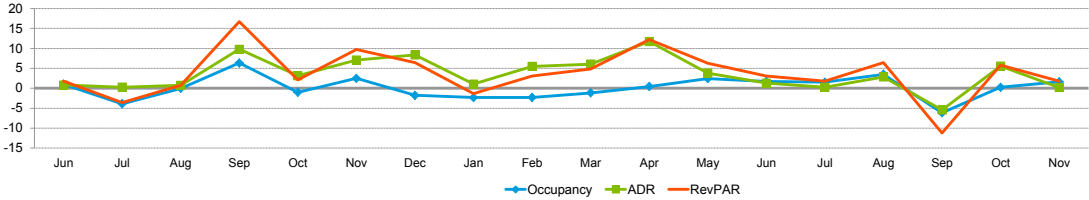
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Source: 2017 STR, Inc. / STR Global, Ltd. trading as "STR".

Tab 2 - Trend Scottsdale AZ+

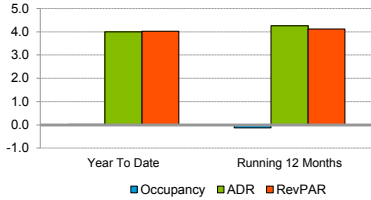
City of Scottsdale, AZ
For the Month of November 2017

Currency: USD - US Dollar

Monthly Percent Change



Overall Percent Change



Occupancy (%)	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
This Year	59.6	52.5	54.2	62.1	70.1	70.5	56.0	69.3	83.1	88.6	79.3	69.7	60.6	53.3	56.1	58.3	70.2	71.7
Last Year	59.0	54.6	54.2	58.4	70.8	68.8	57.0	70.9	85.1	89.7	79.0	68.0	59.6	52.5	54.2	62.1	70.1	70.5
Percent Change	1.0	-3.9	0.0	6.3	-1.0	2.5	-1.8	-2.3	-2.3	-1.1	0.4	2.4	1.7	1.5	3.5	-6.1	0.2	1.6

ADR	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
This Year	120.26	110.42	106.20	160.09	190.75	193.49	173.99	224.80	258.04	287.59	237.93	173.09	121.80	110.71	109.22	151.40	201.33	193.86
Last Year	119.30	110.10	105.42	145.85	184.98	180.69	160.58	222.51	244.59	271.16	213.01	166.74	120.26	110.42	106.20	160.09	190.75	193.49
Percent Change	0.8	0.3	0.7	9.8	3.1	7.1	8.4	1.0	5.5	6.1	11.7	3.8	1.3	0.3	2.8	-5.4	5.5	0.2

RevPAR	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
This Year	71.68	57.99	57.51	99.40	133.65	136.47	97.36	155.69	214.40	254.90	188.72	120.56	73.86	59.03	61.22	88.24	141.39	138.91
Last Year	70.40	60.16	57.11	85.17	130.93	124.35	91.48	157.77	208.04	243.13	168.21	113.41	71.68	57.99	57.51	99.40	133.65	136.47
Percent Change	1.8	-3.6	0.7	16.7	2.1	9.7	6.4	-1.3	3.1	4.8	12.2	6.3	3.0	1.8	6.4	-11.2	5.8	1.8

Supply	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
This Year	361,530	373,612	369,241	357,330	369,458	357,540	375,689	375,751	339,752	376,154	364,020	369,489	357,570	369,489	369,489	357,570	374,139	362,070
Last Year	357,720	359,538	359,538	357,720	369,644	354,600	366,420	366,420	330,960	366,420	358,380	373,581	361,530	373,612	369,241	357,330	369,458	357,540
Percent Change	1.1	3.9	2.7	-0.1	-0.1	0.8	2.5	2.5	2.7	2.7	1.6	-1.1	-1.1	-1.1	0.1	0.1	1.3	1.3

Demand	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
This Year	215,499	196,226	199,955	221,864	258,867	252,173	210,222	260,228	282,297	333,401	288,731	257,353	216,826	196,993	207,108	208,403	262,756	259,430
Last Year	211,102	196,466	194,760	208,889	261,628	244,048	208,736	259,812	281,505	328,551	282,993	254,093	215,499	196,226	199,955	221,864	258,867	252,173
Percent Change	2.1	-0.1	2.7	6.2	-1.1	3.3	0.7	0.2	0.3	1.5	2.0	1.3	0.6	0.4	3.6	-6.1	1.5	2.9

Revenue	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
This Year	25,914,959	21,667,211	21,235,488	35,518,922	49,379,070	48,792,728	36,577,280	58,500,458	72,844,281	95,882,396	68,696,833	44,545,188	26,410,341	21,809,196	22,620,025	31,552,816	52,900,101	50,294,194
Last Year	25,183,881	21,629,967	20,531,638	30,465,854	48,396,623	44,096,020	33,518,501	57,809,773	68,852,139	89,089,230	60,281,585	42,367,542	25,914,959	21,667,211	21,235,488	35,518,922	49,379,070	48,792,728
Percent Change	2.9	0.2	3.4	16.6	2.0	10.7	9.1	1.2	5.8	7.6	14.0	5.1	1.9	0.7	6.5	-11.2	7.1	3.1

Census %	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Census Props	58	58	57	57	57	57	58	58	58	58	58	57	57	57	57	57	58	58
Census Rooms	12051	12052	11911	11911	11918	11918	12119	12121	12134	12134	12134	11919	11919	11919	11919	11919	12069	12069
% Rooms Participants	100.0	98.9	100.0	100.0	100.0	100.0	100.0	100.0	99.8	99.8	100.0	99.8	100.0	100.0	100.0	99.8	100.0	100.0

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City of Scottsdale, AZ
For the Month of November 2017

○ - Monthly data received by STR
● - Monthly and daily data received by STR
Blank - No data received by STR
Y - (Chg in Rms) Property has experienced a room addition or drop during the time period of the report

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Tab 4 - Seg Trend Scottsdale AZ+

City of Scottsdale, AZ

For the Month of November 2017

Currency: USD - US Dollar

Current Month		This Year												Percent Change (%)											
		Occupancy (%)				ADR				RevPAR				Occupancy (%)				ADR (%)				RevPAR (%)			
		Trans.	Grp.	Con.	Total	Trans.	Grp.	Con.	Total	Trans.	Grp.	Con.	Total	Trans.	Grp.	Con.	Total	Trans.	Grp.	Con.	Total	Trans.	Grp.	Con.	Total
2016	Jun	39.4	22.5	0.1	62.0	138.95	137.53	79.30	138.37	54.79	30.89	0.05	85.73	3.3	-5.7	103.2	-0.1	-0.1	3.9	-5.0	1.4	3.2	-2.0	93.1	1.3
	Jul	39.2	15.5	0.0	54.8	131.70	115.71	78.96	127.13	51.69	17.99	0.03	69.71	-7.6	-7.3	0.6	-7.5	-0.5	3.5	2.8	0.5	-8.1	-4.0	3.5	-7.1
	Aug	40.4	14.9	0.0	55.4	124.71	107.26	84.22	119.98	50.39	16.02	0.03	66.44	-10.5	11.5	-31.3	-5.5	0.6	0.6	7.4	0.0	-10.0	12.2	-26.1	-5.5
	Sep	34.6	28.2	0.0	62.9	185.95	200.19	86.04	192.28	64.35	56.48	0.03	120.86	-4.7	20.9	14.9	5.3	11.2	9.7	-7.6	11.1	6.1	32.7	6.1	17.0
	Oct	34.5	35.0	0.0	69.6	228.42	232.80	71.02	230.57	78.89	81.47	0.02	160.38	-3.5	-1.2	-19.9	-2.4	8.1	-2.2	-6.3	2.7	4.3	-3.4	-24.9	0.2
	Nov	39.0	33.0	0.1	72.1	231.94	228.31	87.74	230.07	90.47	75.24	0.09	165.80	1.2	3.0	57.4	2.1	7.4	3.6	4.4	5.6	8.7	6.7	64.4	7.8
	Dec	40.8	16.8	0.2	57.7	219.35	184.73	79.03	208.86	89.40	30.95	0.14	120.49	3.2	-8.5	3.1	-0.5	9.8	0.4	-9.0	7.4	13.3	-8.1	-6.2	6.9
2017	Jan	29.6	40.9	0.5	71.1	264.67	259.30	82.48	260.26	78.46	106.07	0.42	184.96	-9.9	4.3	1384.2	-1.5	-3.9	2.5	0.0	-1.1	-13.5	6.9	0.0	-2.6
	Feb	41.3	43.1	0.6	84.9	315.65	300.33	89.43	306.41	130.30	129.41	0.49	260.21	5.1	-8.5	1573.1	-1.7	3.8	6.0	5.6	4.7	9.1	-3.1	1667.1	2.8
	Mar	54.1	35.0	0.8	89.9	362.93	315.39	85.51	342.03	196.42	110.24	0.67	307.33	-6.9	10.1	87.8	-0.4	6.3	7.1	-56.1	5.5	-0.9	17.9	-17.6	5.0
	Apr	44.8	35.4	0.6	80.7	294.96	281.94	92.43	287.85	132.13	99.79	0.52	232.43	10.4	-9.8	899.0	1.1	12.8	8.8	37.1	10.6	24.6	-1.9	1269.9	11.8
	May	37.0	31.3	0.5	68.8	203.33	213.69	86.17	207.21	75.28	66.79	0.42	142.49	-8.0	8.1	845.6	-0.6	5.2	1.5	17.8	3.4	-3.2	9.8	1013.8	2.7
	Jun	39.9	19.8	0.4	60.2	142.01	135.47	84.95	139.44	56.73	26.82	0.37	83.92	1.3	-11.9	604.5	-2.9	2.2	-1.5	7.1	0.8	3.5	-13.2	654.8	-2.1
	Jul	39.7	12.6	0.5	52.8	130.82	113.18	91.12	126.26	51.94	14.26	0.42	66.63	1.2	-18.9	1260.1	-3.8	-0.7	-2.2	15.4	-0.7	0.5	-20.7	1469.5	-4.4
	Aug	40.3	16.5	0.5	57.3	127.33	114.93	88.02	123.44	51.32	18.96	0.40	70.68	-0.3	10.5	1180.3	3.4	2.1	7.2	4.5	2.9	1.8	18.4	1238.1	6.4
	Sep	37.2	18.7	0.3	56.3	171.45	186.14	84.08	175.86	63.82	34.90	0.26	98.98	7.6	-33.5	663.8	-10.5	-7.8	-7.0	-2.3	-8.5	-0.8	-38.2	646.4	-18.1
	Oct	35.1	34.8	0.4	70.3	233.31	248.21	86.94	239.77	81.81	86.26	0.38	168.45	1.5	-0.7	1635.1	1.0	2.1	6.6	22.4	4.0	3.7	5.9	2024.1	5.0
	Nov	43.1	28.7	0.5	72.3	225.17	235.10	88.36	228.14	96.95	67.45	0.45	164.85	10.4	-12.9	396.6	0.3	-2.9	3.0	0.7	-0.8	7.2	-10.3	400.1	-0.6

Year To Date													
2015	Nov	40.6	30.6	0.1	71.3	215.02	229.84	86.71	221.30	87.31	70.45	0.05	157.80
2016	Nov	39.8	30.2	0.1	70.2	222.77	227.49	130.21	224.70	88.75	68.79	0.11	157.64
2017	Nov	40.2	28.7	0.5	69.4	229.01	239.65	87.28	232.39	92.01	68.77	0.44	161.22

				Percent Change (%)							
1.8	3.0	-23.6	2.3	8.8	10.9	-29.9	9.7	10.8	14.2	-46.4	12.2
-1.9	-1.3	53.9	-1.6	3.6	-1.0	50.2	1.5	1.7	-2.4	131.0	-0.1
0.8	-5.1	519.6	-1.1	2.8	5.3	-33.0	3.4	3.7	0.0	315.4	2.3

Running 12 Month													
2015	Nov	40.7	29.6	0.1	70.3	213.02	226.84	88.05	218.73	86.61	67.19	0.06	153.86
2016	Nov	39.8	29.2	0.1	69.1	220.86	225.22	123.15	222.58	87.93	65.87	0.11	153.91
2017	Nov	40.2	27.7	0.5	68.4	228.18	236.84	87.02	230.70	91.79	65.57	0.41	157.76

				Percent Change (%)							
2.4	3.1	-30.6	2.6	8.7	10.5	-23.7	9.5	11.3	14.0	-47.0	12.4
-2.1	-1.3	40.7	-1.7	3.7	-0.7	39.9	1.8	1.5	-2.0	96.8	0.0
1.0	-5.3	435.0	-1.1	3.3	5.2	-29.3	3.6	4.4	-0.5	278.0	2.5

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Tab 5 - Seg Trend Raw Scottsdale AZ+

City of Scottsdale, AZ

For the Month of November 2017

Currency: USD - US Dollar

		This Year									Last Year								
		Supply	Demand				Revenue				Supply	Demand				Revenue			
Current Month		Total	Trans.	Grp.	Con.	Total	Trans.	Grp.	Con.	Total	Total	Trans.	Grp.	Con.	Total	Trans.	Grp.	Con.	Total
2016	Jun	207,780	81,938	46,667	130	128,735	11,385,132	6,418,098	10,309	17,813,539	204,600	78,119	48,731	63	126,913	10,864,687	6,451,500	5,258	17,321,445
	Jul	214,737	84,277	33,391	73	117,741	11,098,965	3,863,519	5,764	14,968,248	201,314	85,549	33,751	68	119,368	11,319,370	3,774,189	5,223	15,098,782
	Aug	214,737	86,769	32,069	77	118,915	10,821,386	3,439,579	6,485	14,267,450	201,314	90,896	26,958	105	117,959	11,267,419	2,873,890	8,231	14,149,540
	Sep	207,810	71,921	58,624	84	130,629	13,373,607	11,736,105	7,227	25,116,939	204,600	74,276	47,743	72	122,091	12,415,851	8,709,612	6,706	21,132,169
	Oct	214,737	74,161	75,152	54	149,367	16,940,150	17,495,188	3,835	34,439,173	211,420	75,671	74,864	66	150,601	15,991,010	17,828,937	5,028	33,824,975
	Nov	207,810	81,058	68,480	215	149,753	18,800,338	15,634,742	18,864	34,453,944	200,850	77,436	64,255	132	141,823	16,720,982	14,166,197	11,089	30,898,268
2017	Dec	214,737	87,518	35,981	384	123,883	19,197,402	6,646,847	30,346	25,874,595	207,545	81,980	37,988	360	120,328	16,371,205	6,987,340	31,258	23,389,803
	Jan	214,799	63,676	87,868	1,106	152,650	16,853,232	22,783,839	91,223	39,728,294	207,545	68,308	81,363	72	149,743	18,815,108	20,591,035	0	39,406,143
	Feb	194,376	80,242	83,753	1,072	165,067	25,328,151	25,153,775	95,866	50,577,792	187,460	73,658	88,302	62	162,022	22,397,590	25,028,671	5,232	47,431,493
	Mar	215,202	116,470	75,219	1,675	193,364	42,270,406	23,723,509	143,222	66,137,137	207,545	120,590	65,863	860	187,313	41,153,237	19,401,039	167,611	60,721,887
	Apr	208,260	93,291	73,712	1,162	168,165	27,516,832	20,782,362	107,400	48,406,594	204,630	83,024	80,329	114	163,467	21,701,873	20,820,473	7,703	42,530,049
	May	215,202	79,681	67,260	1,052	147,993	16,201,343	14,372,998	90,646	30,664,987	214,706	86,431	62,067	111	148,609	16,706,477	13,063,788	8,120	29,778,385
	Jun	208,260	83,197	41,229	918	125,344	11,814,625	5,585,159	77,987	17,477,771	207,780	81,938	46,667	130	128,735	11,385,132	6,418,098	10,309	17,813,539
	Jul	215,202	85,446	27,124	995	113,565	11,178,372	3,069,766	90,664	14,338,802	214,737	84,277	33,391	73	117,741	11,098,965	3,863,519	5,764	14,968,248
	Aug	215,202	86,731	35,499	988	123,218	11,043,202	4,079,785	86,962	15,209,949	214,737	86,769	32,069	77	118,915	10,821,386	3,439,579	6,485	14,267,450
	Sep	208,260	77,524	39,045	643	117,212	13,291,550	7,267,794	54,061	20,613,405	207,810	71,921	58,624	84	130,629	13,373,607	11,736,105	7,227	25,116,939
	Oct	215,202	75,455	74,793	939	151,187	17,604,646	18,564,168	81,636	36,250,450	214,737	74,161	75,152	54	149,367	16,940,150	17,495,188	3,835	34,439,173
	Nov	208,260	89,667	59,751	1,070	150,488	20,189,945	14,047,443	94,550	34,331,938	207,810	81,058	68,480	215	149,753	18,800,338	15,634,742	18,864	34,453,944

Year To Date																			
2015	Nov	2,254,402	915,388	690,973	1,185	1,607,546	196,828,657	158,812,334	102,780	355,743,771	2,285,707	911,466	680,377	1,573	1,593,416	180,157,116	141,055,553	194,572	321,407,240
2016	Nov	2,289,497	912,135	692,307	1,852	1,606,294	203,193,862	157,492,237	241,151	360,927,250	2,254,402	915,388	690,973	1,185	1,607,546	196,828,657	158,812,334	102,780	355,743,771
2017	Nov	2,318,225	931,380	665,253	11,620	1,608,253	213,292,303	159,430,599	1,014,217	373,737,119	2,289,497	912,135	692,307	1,852	1,606,294	203,193,862	157,492,237	241,151	360,927,250

Running 12 Month																			
2015	Nov	2,465,915	1,002,538	730,444	1,552	1,734,534	213,561,447	165,696,884	136,690	379,395,021	2,496,538	991,536	717,014	2,264	1,710,814	194,286,212	147,131,368	261,352	341,678,931
2016	Nov	2,497,042	994,115	730,295	2,212	1,726,622	219,565,067	164,479,577	272,409	384,317,053	2,465,915	1,002,538	730,444	1,552	1,734,534	213,561,447	165,696,884	136,690	379,395,021
2017	Nov	2,532,962	1,018,898	701,234	12,004	1,732,136	232,489,705	166,077,446	1,044,563	399,611,714	2,497,042	994,115	730,295	2,212	1,726,622	219,565,067	164,479,577	272,409	384,317,053

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Tab 6 - Seg Response Scottsdale AZ+

City of Scottsdale, AZ
For the Month of November 2017

								2015												2016												2017																				
STR Code	Name of Establishment	City & State	Zip Code	Aff Date	Open Date	Rooms	Chg in Rms	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D									
10025	DoubleTree Paradise Valley Resort Scottsdale	Scottsdale, AZ	85250	Jul 1995	Jun 1984	378		B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B				
9489	Embassy Suites Scottsdale Resort	Scottsdale, AZ	85250	Jul 2016	Nov 1980	312	Y	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B			
9678	Hilton Scottsdale Resort & Villas	Scottsdale, AZ	85250	Jan 2000	Jan 1973	235	Y	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B		
32665	aloft Scottsdale	Scottsdale, AZ	85251	Apr 2016	Jan 1996	126	Y	B	B	B	B	B	B	B	B									B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B			
7555	Hotel Valley Ho	Scottsdale, AZ	85251	Dec 2005	Jun 1953	240	Y	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B			
36698	Hyatt House Scottsdale Old Town	Scottsdale, AZ	85251	Jan 2012	Oct 1998	164		B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B		
34426	Hyatt Place Scottsdale Old Town	Scottsdale, AZ	85251	Sep 2006	Dec 1998	126	Y	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B			
26577	Luxury Collection The Phoenician	Scottsdale, AZ	85251	Jun 1994	Oct 1988	645	Y	s	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B		
12031	Marriott Scottsdale Suites Old Town	Scottsdale, AZ	85251	May 1988	May 1988	243		B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B		
9113	The Saguaro Scottsdale	Scottsdale, AZ	85251	Apr 2016	Jun 1975	194	Y	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B		
11348	The Scott Resort & Spa	Scottsdale, AZ	85251	Apr 2016	Jun 1961	204		B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B		
57164	W Hotel Scottsdale	Scottsdale, AZ	85251	Sep 2008	Sep 2008	230	Y	s	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	
6769	JW Marriott Camelback Inn Scottsdale Resort & Spa	Scottsdale, AZ	85253	Sep 1967	Jun 1936	453		B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	
56000	Omni Scottsdale Resort & Spa @ Montelucia	Scottsdale, AZ	85253	Jan 2014	Nov 2008	293		B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	
11349	Sanctuary On Camelback Mountain	Paradise Valley, AZ	85253	Mar 2001	Jun 1970	109	Y	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B		
11337	The Hermosa Inn	Paradise Valley, AZ	85253	Nov 2009	Jun 1930	43	Y	s	B	B	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B
9105	The McCormick Scottsdale	Scottsdale, AZ	85253	Apr 2001	Jun 1975	125	Y	s	s	s	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	
26312	Fairmont Scottsdale Princess	Scottsdale, AZ	85255	Oct 1999	Jan 1988	750	Y	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B
35503	Springhill Suites Scottsdale North	Scottsdale, AZ	85255	Mar 1999	Feb 1998	121	Y	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s
56696	Talking Stick Resort	Scottsdale, AZ	85256	Apr 2010	Apr 2010	496	Y	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B
18806	Destination Hotels The Scottsdale Resort @ McCormick R	Scottsdale, AZ	85258	Sep 2015	Jun 1976	326	Y	B	B	B	B	B			B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	
26046	Hyatt Regency @ Gainey Ranch	Scottsdale, AZ	85258	Dec 1986	Dec 1986	493	Y	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	
38398	Marriott Scottsdale @ McDowell Mountain	Scottsdale, AZ	85260	May 1999	May 1999	266	Y	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	
18818	Curio Collection Boulders Resort & Spa	Scottsdale, AZ	85262	Apr 2015	Jun 1985	160		B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	B	
36856	Four Seasons Resort Scottsdale @ Troon North	Scottsdale, AZ	85262	Dec 1999	Dec 1999	210		s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s	s
			Total Properties:		25	6942	s - Monthly Segmentation (Transient, Group, Contract) Only r - Monthly Additional Revenue Only B - Both Segmentation and Additional Revenue Blank - No data received by STR																																													

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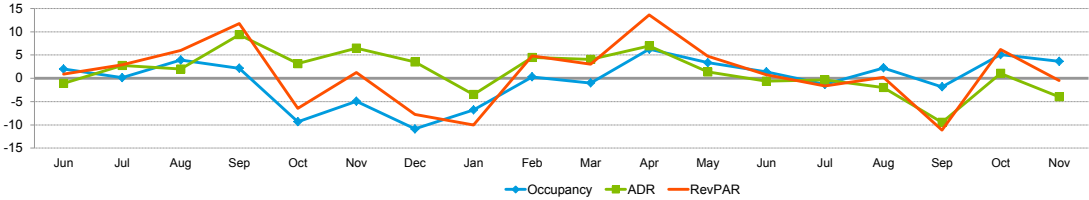
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Tab 7 - Trend Scottsdale Downtown+

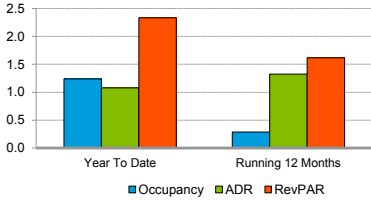
City of Scottsdale, AZ
For the Month of November 2017

Currency: USD - US Dollar

Monthly Percent Change



Overall Percent Change



Occupancy (%)				2016								2017			
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
	This Year	63.2	55.7	58.8	67.7	71.7	72.0	56.3	68.9	87.3	91.0	81.1	72.4	64.1	55.0
	Last Year	62.0	55.6	56.6	66.3	79.1	75.7	63.2	73.9	87.0	91.9	76.4	70.0	63.2	55.7
Percent Change		2.0	0.1	3.9	2.2	-9.3	-4.9	-10.9	-6.8	0.3	-1.0	6.2	3.3	1.4	-1.3

ADR				2016								2017			
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
	This Year	101.48	94.49	93.25	131.29	150.93	154.83	132.02	178.67	208.90	245.54	183.53	136.15	100.85	94.18
	Last Year	102.59	91.97	91.44	120.02	146.32	145.42	127.54	185.09	199.98	235.98	171.57	134.31	101.48	94.49
Percent Change		-1.1	2.7	2.0	9.4	3.2	6.5	3.5	-3.5	4.5	4.0	7.0	1.4	-0.6	-0.3

RevPAR				2016								2017			
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
	This Year	64.17	52.63	54.82	88.87	108.26	111.47	74.33	123.18	182.31	223.36	148.87	98.55	64.66	51.77
	Last Year	63.61	51.15	51.72	79.52	115.72	110.11	80.57	136.87	173.97	216.81	130.99	94.07	64.17	52.63
Percent Change		0.9	2.9	6.0	11.8	-6.4	1.2	-7.7	-10.0	4.8	3.0	13.6	4.8	0.8	-1.6

Supply				2016								2017			
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
	This Year	76,650	79,205	79,205	76,650	79,205	76,650	79,205	79,205	71,540	79,205	76,650	79,205	76,650	79,205
	Last Year	76,620	79,174	79,174	76,620	79,174	72,870	75,299	75,299	68,012	75,299	76,650	79,205	76,650	79,205
Percent Change		0.0	0.0	0.0	0.0	0.0	5.2	5.2	5.2	5.2	0.0	0.0	0.0	0.0	0.0

Demand				2016								2017			
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
	This Year	48,470	44,117	46,561	51,886	56,810	55,186	44,594	54,603	62,431	72,052	62,173	57,330	49,145	43,537
	Last Year	47,506	44,038	44,786	50,767	62,613	55,178	47,567	55,682	59,168	69,183	58,524	55,473	48,470	44,117
Percent Change		2.0	0.2	4.0	2.2	-9.3	0.0	-6.3	-1.9	5.5	4.1	6.2	3.3	1.4	-1.3

Revenue				2016								2017			
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
	This Year	4,918,554	4,168,615	4,341,709	6,812,097	8,574,520	8,544,398	5,887,215	9,756,176	13,042,137	17,691,440	11,410,857	7,805,676	4,956,250	4,100,358
	Last Year	4,873,713	4,050,072	4,095,160	6,093,167	9,161,641	8,024,070	6,066,668	10,306,080	11,832,154	16,325,862	10,040,738	7,450,547	4,918,554	4,168,615
Percent Change		0.9	2.9	6.0	11.8	-6.4	6.5	-3.0	-5.3	10.2	8.4	13.6	4.8	0.8	-1.6

Census %				2016								2017			
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
	Census Props	17	17	17	17	17	17	17	17	17	17	17	17	17	17
	Census Rooms	2555	2555	2555	2555	2555	2555	2555	2555	2555	2555	2555	2555	2555	2555
% Rooms Participants		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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Tab 8 - Response Scottsdale Downtown+

City of Scottsdale, AZ
For the Month of November 2017

								2015												2016												2017																				
STR Code	Name of Establishment	City & State	Zip Code	Aff Date	Open Date	Rooms	Chg in Rms	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D									
32665	aloft Scottsdale	Scottsdale, AZ	85251	Apr 2016	Jan 1996	126	Y	●	●	●	●	●	●	●	●	●	●	●	●	●	○	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●						
56174	Best Western Plus Sundial	Scottsdale, AZ	85251	Jul 2011	Mar 2009	54		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●				
32389	Comfort Suites Old Town Scottsdale	Scottsdale, AZ	85251	Jan 1996	Jan 1996	60		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●			
37904	Courtyard Scottsdale Old Town	Scottsdale, AZ	85251	May 1999	May 1999	180		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		
31968	Extended Stay America Phoenix Scottsdale Old Town	Scottsdale, AZ	85251	Jan 2013	Aug 1995	121		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		
38821	Hilton Garden Inn Scottsdale Old Town	Scottsdale, AZ	85251	Aug 1999	Aug 1999	199		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
34598	Holiday Inn Express & Suites Scottsdale Old Town	Scottsdale, AZ	85251	Jan 2003	Feb 1998	169	Y	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
7555	Hotel Valley Ho	Scottsdale, AZ	85251	Dec 2005	Jun 1953	240	Y	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
8073	Howard Johnson Scottsdale Old Town	Scottsdale, AZ	85251	Mar 2012	Jun 1966	65	Y	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
36698	Hyatt House Scottsdale Old Town	Scottsdale, AZ	85251	Jan 2012	Oct 1998	164		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
34426	Hyatt Place Scottsdale Old Town	Scottsdale, AZ	85251	Sep 2006	Dec 1998	126	Y	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
12031	Marriott Scottsdale Suites Old Town	Scottsdale, AZ	85251	May 1988	May 1988	243		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
6251	Motel 6 Scottsdale	Scottsdale, AZ	85251	May 1967	May 1967	122		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
9113	The Saguaro Scottsdale	Scottsdale, AZ	85251	Apr 2016	Jun 1975	194	Y	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
11348	The Scott Resort & Spa	Scottsdale, AZ	85251	Apr 2016	Jun 1961	204		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
57164	W Hotel Scottsdale	Scottsdale, AZ	85251	Sep 2008	Sep 2008	230	Y	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
1828	Magnuson Hotel Papago Inn	Scottsdale, AZ	85257	Sep 2014	Jun 1964	58		●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
			Total Properties:		17	2555	○ - Monthly data received by STR ● - Monthly and daily data received by STR Blank - No data received by STR Y - (Chg in Rms) Property has experienced a room addition or drop during the time period of the report																																													

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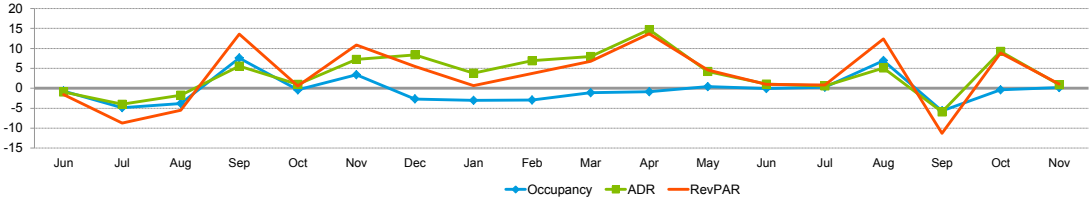
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Tab 9 - Trend Scottsdale Middle+

City of Scottsdale, AZ
For the Month of November 2017

Currency: USD - US Dollar

Monthly Percent Change



Overall Percent Change



Occupancy (%)				2016															
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	
	This Year	56.9	49.0	49.6	58.1	67.6	68.9	53.3	68.1	82.6	89.2	79.1	67.0	56.9	49.2	53.1	54.8	67.4	69.1
	Last Year	57.3	51.5	51.6	54.0	67.9	66.7	54.7	70.3	85.1	90.2	79.7	66.7	56.9	49.0	49.6	58.1	67.6	68.9
Percent Change	-0.7	-4.9	-3.8	7.6	-0.4	3.4	-2.7	-3.0	-3.0	-1.1	-0.9	0.4	-0.1	0.3	6.9	-5.6	-0.4	0.2	

ADR				2016															
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	
	This Year	115.82	107.04	103.35	153.32	181.60	188.73	172.82	221.02	253.35	282.29	233.83	165.02	117.04	107.66	108.60	144.23	198.39	190.44
	Last Year	116.91	111.50	105.17	145.24	179.81	176.00	159.44	212.96	237.00	261.46	203.89	158.35	115.82	107.04	103.35	153.32	181.60	188.73
Percent Change	-0.9	-4.0	-1.7	5.6	1.0	7.2	8.4	3.8	6.9	8.0	14.7	4.2	1.1	0.6	5.1	-5.9	9.2	0.9	

RevPAR				2016															
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	
	This Year	65.92	52.47	51.30	89.08	122.84	130.12	92.04	150.59	209.27	251.83	184.85	110.51	66.57	52.92	57.66	79.06	133.69	131.51
	Last Year	67.00	57.46	54.28	78.43	122.11	117.37	87.26	149.64	201.72	235.85	162.60	105.62	65.92	52.47	51.30	89.08	122.84	130.12
Percent Change	-1.6	-8.7	-5.5	13.6	0.6	10.9	5.5	0.6	3.7	6.8	13.7	4.6	1.0	0.9	12.4	-11.2	8.8	1.1	

Supply				2016															
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	
	This Year	199,860	206,553	202,523	195,990	202,740	196,200	208,971	209,033	189,168	209,436	202,680	202,771	196,230	202,771	196,230	207,421	200,730	
	Last Year	198,740	196,292	196,292	199,740	206,398	199,740	206,398	206,398	186,424	206,398	199,740	206,522	199,860	206,553	202,523	195,990	202,740	196,200
Percent Change	0.1	5.2	3.2	-1.9	-1.8	-1.8	1.2	1.3	1.5	1.5	1.5	-1.8	-1.8	-1.8	0.1	0.1	2.3	2.3	

Demand				2016															
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	
	This Year	113,756	101,257	100,538	113,869	137,134	135,275	111,296	142,426	156,254	186,836	160,219	135,789	111,613	99,672	107,647	107,568	139,778	138,614
	Last Year	114,465	101,157	101,307	107,858	140,174	133,203	112,956	145,035	158,676	186,181	159,286	137,747	113,756	101,257	100,538	113,869	137,134	135,275
Percent Change	-0.6	0.1	-0.8	5.6	-2.2	1.6	-1.5	-1.8	-1.5	-1.5	0.4	0.6	-1.4	-1.9	-1.6	7.1	-5.5	1.9	2.5

Revenue				2016															
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	
	This Year	13,175,282	10,838,110	10,390,115	17,458,762	24,903,940	25,530,100	19,233,759	31,478,765	39,586,723	52,741,338	37,464,542	22,408,364	13,063,496	10,730,957	11,690,987	15,514,724	27,730,110	26,397,557
	Last Year	13,382,331	11,279,236	10,654,540	15,665,791	25,204,227	23,444,194	18,009,260	30,886,278	37,606,034	48,679,384	32,477,174	21,812,846	13,175,282	10,838,110	10,390,115	17,458,762	24,903,940	25,530,100
Percent Change	-1.5	-3.9	-2.5	11.4	-1.2	8.9	6.8	1.9	5.3	8.3	15.4	2.7	-0.8	-1.0	12.5	-11.1	11.3	3.4	

Census %				2016															
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	
	Census Props	30	30	29	29	29	30	30	30	30	30	29	29	29	29	29	30	30	
	Census Rooms	6662	6663	6533	6533	6540	6540	6741	6743	6756	6756	6541	6541	6541	6541	6541	6691	6691	
Percent Change	100.0	98.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

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Tab 10 - Response Scottsdale Middle+

City of Scottsdale, AZ
For the Month of November 2017

							2015												2016												2017																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
STR Code	Name of Establishment	City & State	Zip Code	Aff Date	Open Date	Rooms	Chg in Rms	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
11338	The Unbound Collection Royal Palms Resort & Spa	Phoenix, AZ	85018	Jul 2016	Jun 1948	119	Y	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
61737	Courtyard Scottsdale Salt River	Scottsdale, AZ	85250	Apr 2012	Apr 2012	158		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										
10025	DoubleTree Paradise Valley Resort Scottsdale	Scottsdale, AZ	85250	Jul 1995	Jun 1984	378		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
9489	Embassy Suites Scottsdale Resort	Scottsdale, AZ	85250	Jul 2016	Nov 1980	312	Y	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									
9678	Hilton Scottsdale Resort & Villas	Scottsdale, AZ	85250	Jan 2000	Jan 1973	235	Y	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
40	Hotel Adeline	Scottsdale, AZ	85250	Jan 2018	Dec 1970	0	Y	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																								
26577	Luxury Collection The Phoenician	Scottsdale, AZ	85251	Jun 1994	Oct 1988	645	Y	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
6251	Motel 6 Scottsdale	Scottsdale, AZ	85251	May 1967	May 1967	122		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
64656	Andaz Scottsdale Resort & Spa	Scottsdale, AZ	85253	Dec 2016	Dec 2016	201		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
31031	Hampton Inn & Suites Phoenix Scottsdale Shea Boulevard	Scottsdale, AZ	85253	Oct 2017	Jan 1995	150	Y	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																						
33091	Homewood Suites Phoenix Scottsdale	Scottsdale, AZ	85253	Aug 1997	Aug 1997	114		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•

A blank row indicates insufficient data.

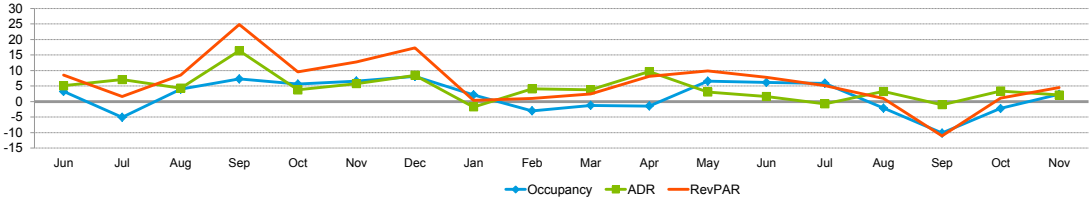
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Tab 11 - Trend Scottsdale North+

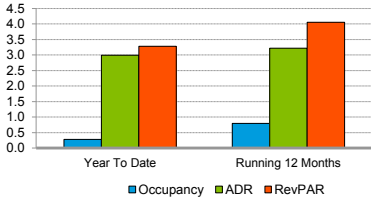
City of Scottsdale, AZ
For the Month of November 2017

Currency: USD - US Dollar

Monthly Percent Change



Overall Percent Change



Occupancy (%)	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
This Year	61.7	56.9	59.3	65.3	73.9	72.7	62.1	71.5	80.6	85.6	77.7	73.0	65.5	60.2	58.0	58.7	72.3	74.4
Last Year	59.8	59.9	57.0	60.9	70.0	68.2	57.4	69.9	83.1	86.7	78.8	68.5	61.7	56.9	59.3	65.3	73.9	72.7
Percent Change	3.2	-5.1	4.0	7.3	5.6	6.6	8.1	2.2	-3.0	-1.2	-1.4	6.6	6.1	5.9	-2.1	-10.1	-2.2	2.4
ADR	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
This Year	145.00	129.70	122.02	197.49	239.10	232.66	205.56	268.72	309.60	331.95	292.71	218.20	147.36	128.75	125.99	195.53	247.21	237.60
Last Year	137.98	121.11	116.95	169.73	230.45	219.91	189.48	273.40	297.41	319.81	266.94	211.64	145.00	129.70	122.02	197.49	239.10	232.66
Percent Change	5.1	7.1	4.3	16.4	3.8	5.8	8.5	-1.7	4.1	3.8	9.7	3.1	1.6	-0.7	3.3	-1.0	3.4	2.1
RevPAR	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
This Year	89.49	73.77	72.32	129.03	176.75	169.23	127.64	192.03	249.42	284.12	227.42	159.19	96.53	77.55	73.09	114.79	178.68	176.89
Last Year	82.48	72.56	66.65	103.37	161.27	150.06	108.85	191.21	247.02	277.14	210.41	144.89	89.49	73.77	72.32	129.03	176.75	169.23
Percent Change	8.5	1.7	8.5	24.8	9.6	12.8	17.3	0.4	1.0	2.5	8.1	9.9	7.9	5.1	1.1	-11.0	1.1	4.5
Supply	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
This Year	88,050	90,985	90,644	87,720	90,644	87,720	90,644	90,644	81,872	90,644	87,720	90,644	87,720	90,644	90,644	87,720	90,644	87,720
Last Year	85,020	87,854	87,854	85,020	87,854	85,020	87,854	87,854	79,352	87,854	85,020	90,985	88,050	90,985	90,644	87,720	90,644	87,720
Percent Change	3.6	3.6	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	-0.4	-0.4	-0.4	0.0	0.0	0.0	0.0
Demand	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
This Year	54,340	51,751	53,720	57,312	67,006	63,806	56,285	64,774	65,959	77,583	68,153	66,130	57,460	54,598	52,583	51,499	65,516	65,307
Last Year	50,822	52,634	50,070	51,781	61,481	58,017	50,471	61,443	65,907	76,134	67,016	62,289	54,340	51,751	53,720	57,312	67,006	63,806
Percent Change	6.9	-1.7	7.3	10.7	9.0	10.0	11.5	5.4	0.1	1.9	1.7	6.2	5.7	5.5	-2.1	-10.1	-2.2	2.4
Revenue	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
This Year	7,879,486	6,711,908	6,555,126	11,318,318	16,021,320	14,845,082	11,569,904	17,406,073	20,420,779	25,753,492	19,949,263	14,429,404	8,467,220	7,029,590	6,625,037	10,069,495	16,196,029	15,516,693
Last Year	7,012,179	6,374,663	5,855,554	8,788,598	14,168,256	12,758,242	9,563,175	16,798,651	19,601,513	24,348,259	17,888,917	13,183,094	7,879,486	6,711,908	6,555,126	11,318,318	16,021,320	14,845,082
Percent Change	12.4	5.3	11.9	28.8	13.1	16.4	21.0	3.6	4.2	5.8	11.5	9.5	7.5	4.7	1.1	-11.0	1.1	4.5
Census %	2016							2017										
	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Census Props	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11	11
Census Rooms	2935	2935	2924	2924	2924	2924	2924	2924	2924	2924	2924	2924	2924	2924	2924	2924	2924	2924
% Rooms Participants	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

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Tab 12 - Response Scottsdale North+

City of Scottsdale, AZ
For the Month of November 2017

STR Code	Name of Establishment	City & State	Zip Code	Aff Date	Open Date	Rooms	Chg in Rms	2015												2016												2017																																																							
								J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D																																												
34909	Extended Stay America Phoenix Scottsdale North	Scottsdale, AZ	85254	Jun 1997	Jun 1997	120		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																								
43004	Westin Kierland Resort & Spa	Scottsdale, AZ	85254	Nov 2002	Nov 2002	732		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																							
26312	Fairmont Scottsdale Princess	Scottsdale, AZ	85255	Oct 1999	Jan 1988	750	Y	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																						
53188	Hilton Garden Inn Scottsdale North Perimeter Center	Scottsdale, AZ	85255	Mar 2005	Mar 2005	122		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																						
47255	Residence Inn Scottsdale North	Scottsdale, AZ	85255	Dec 2002	Dec 2002	120		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																						
9177	Best Western Plus Scottsdale Thunderbird Suites	Scottsdale, AZ	85260	Jan 2014	Jun 1985	120		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																						
53075	Holiday Inn Scottsdale North Airpark	Scottsdale, AZ	85260	Dec 2014	Dec 2004	117		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																						
38398	Marriott Scottsdale @ McDowell Mountain	Scottsdale, AZ	85260	May 1999	May 1999	266	Y	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																						
18818	Curio Collection Boulders Resort & Spa	Scottsdale, AZ	85262	Apr 2015	Jun 1985	160		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																						
36856	Four Seasons Resort Scottsdale @ Troon North	Scottsdale, AZ	85262	Dec 1999	Dec 1999	210		•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																					
11283	Carefree Resort & Conference Center	Carefree, AZ	85377	Sep 1996	Jun 1963	207	Y	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•																																					
Total Properties:								112924																																								○ - Monthly data received by STR • - Monthly and daily data received by STR Blank - No data received by STR Y - (Chg in Rms) Property has experienced a room addition or drop during the time period of the report																																							

A blank row indicates insufficient data.

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TOURISM DEVELOPMENT COMMISSION

Item 4g

Carryover Prioritization

ITEM	CATEGORY	DESCRIPTION	ESTIMATED COST
2nd Street - Goldwater to Drinkwater Blvds	Capital Projects	Improve connectivity as part of the Downtown Connectivity Planning by Capital Projects Management and Holly Street.	
Arizona Canal Transformation - 68th Street to Goldwater Blvd.	Capital Projects	Longer term, transform the area around the canal between 68th Street and Goldwater Blvd. As part of the transformation, provide additional public event space, integrating the pedestrian realm into the surrounding areas, improve pedestrian linkages to the area.	
Arizona Canal Transformation - Goldwater Blvd. to Scottsdale Rd	Capital Projects	Transform the area around the canal by providing additional public event space, integrating the pedestrian realm into the surrounding areas, providing additional parking, and adding bicycle transportation amenities. As part of the transformation, extend Soleri Plaza to the south and improve pedestrian linkages to the area.	
Arizona Canal Transformation - Scottsdale Rd to 78th Street	Capital Projects	Longer term, transform east of Scottsdale Road around the canal between Scottsdale Road and 78th Street. As part of the transformation, provide additional public event space, integrating the pedestrian realm into the surrounding areas, improve pedestrian linkages from current AZ Canal development to this newly developed area.	
Art for Pocket Art Parks	Public Art	Within the 10-12 small spaces (See Pocket Art Parks) provide public art within the seating, shade areas with a high level of pedestrian activity to draw visitors between key focal points and enhance the overall visitor and pedestrian experience.	\$1.5 million/127,500 per park
Art Trail on Marshall Way	Public Art - Temporary	Establish an art trail on Marshall Way as an opportunity to increase foot traffic through high quality, rotating installations.	
Camelback & Scottsdale Road Intersection and Adjacent Areas	Capital Projects	Improvements to median to make it consistent, create a pedestrian friendly walkable street including adding gateway monuments.	
Canal Convergence (Develop 1 New Citywide Festival)	Events - Citywide	Further develop Canal Convergence as a 10-day fall event. Gradually expand throughout the City of Scottsdale creating additional events through partnerships with entities such as Tailiesin West, SkySong, ASU.	Long term vision of up to \$2.5 million gross expenses annually. Net expenses could be up to \$1-1.5 million based on sponsorships, ticketing of certain events, etc. Currently, \$750,000 annually.
Civic Center Phase I - Center of Mall + Bridge	Capital Projects	Perform needed repairs and updates to the fountains over Drinkwater Boulevard and improve the central performance and event space.	
Civic Center Phase II - Areas surrounding Civic Center	Capital Projects	Improve the visibility of the civic center space from Old Town and add features for children and events near the Civic Center Library.	
Desert EDGE	Capital Projects	Envisioned as an interpretive, education and research center to complement the McDowell Sonoran Preserve experience and be a focal point for understanding human interaction with arid environments.	\$70 million

TOURISM DEVELOPMENT COMMISSION

Item 4g

Carryover Prioritization

Entertainment	Activation - Downtown	Provide performing arts entertainment in key downtown areas during the tourism season.	Up to \$100,000 annually
Entertainment District	Capital Projects	Improve the streetscape, lighting, public amenities such as bathrooms in and around the area known as the Entertainment District.	
Marketing of Downtown	Marketing - Downtown	Through a contract Advertising Agency, brand and market Downtown Scottsdale to create a top-of-mind destination for local Phoenixians and expand to Tucson. Traditional, digital marketing as well as maintain a website.	\$250,000 annually
Monumental Art - Two pieces	Public Art	Consider 1-2 monumental art piece(s) that will create a branding focal point for Scottsdale as a destination.	\$3.0 million for 2 monumental art pieces
Pedestrian Wayfinding; Signage	Marketing - Downtown	Develop and install pedestrian level wayfinding signage throughout the Downtown.	
Pocket Art Parks	Capital Projects	Add 10-12 small spaces with seating, shade, art, and sound in areas with a high level of pedestrian activity to draw visitors between key focal points and enhance the overall visitor and pedestrian experience.	\$250,000 each. Up to \$3 million for 12 parks.
Scottsdale Road Transformation - Initial Design Only	Capital Projects	Enhance the Scottsdale Road experience, consider widening sidewalks, establishing a signature median, and gateway monuments at the entrances to the Drinkwater Boulevard and Goldwater Boulevard couplets.	\$750,000
Scottsdale Stadium Phase I - Event Areas, Entrance	Capital Projects	Event Areas, Entrance	\$30 million
Scottsdale Stadium Phase II - Create Plaza; Dev. Parking Garage	Capital Projects	Redevelop the area around the stadium by demolishing and rebuilding the parking structure north of stadium. Following demolition, reestablish 2 nd Street, and rebuild the garage with a commercial/retail liner on Drinkwater with improved pedestrian level features	
Scottsdazzle	Events - Citywide	Major focus in and around Downtown. In 2018, begin to expand to other citywide events, activities. Create new holiday lighting.	Currently \$300,000. Increase to \$500,000 as the event expands throughout the City.
Soleri Plaza Extension	Capital Projects	Expand the Soleri Plaza to create a unique and larger special event space, requiring a Public-Private Partnership.	
Spring Training (Add'l Activities, Temporary Art, Etc)	Events - Downtown		
Summer Event Promotion	Events - Downtown	Create a summer event / promotion to create local pedestrian traffic for retail and restaurants in Downtown.	
Temporary Art in/over the AZ Canal	Public Art - Temporary	Annually, curate a Temporary Seasonal Art installation at the AZ Canal between Goldwater Blvd and Scottsdale Road.	\$150,000 annually
Western Week Events & Promotion	Events - Downtown	With the historical Parada Del Sol Parade and Hashknife Pony Express events, promote Western Week as a must see event during February. Gradually increase events, art installations, etc. throughout the City.	\$50,000 currently. Expand up to \$150,000 to create more events and activities throughout the City.
WestWorld - Capital Improvements	Capital Projects	As a tourism generating venue, provide for needed capital projects such as parking lot overlays, improvements to TNEC, additional electrical, etc. for RV space requirements.	

TOURISM DEVELOPMENT COMMISSION

Item 4g

Carryover Prioritization

WestWorld - Event Parking	Events - WestWorld	To protect and enhance several major events held annually between January-March, provide additional event parking space that may include bidding on Arizona State Land, building parking structures, etc.	
WestWorld - Event Solicitation / RFP Responses	Events - WestWorld	Provide an annual budget allowance to financially support and enhance tourism generating regional/national events requesting proposals from event venues such as WestWorld. This could keep our City competitive in responses to major events.	



To: Mayor Jim Lane & City Council, City of Scottsdale
Tourism Development Commissioners, City of Scottsdale
Cc: Rachel Sacco, President & CEO, Experience Scottsdale
Jim Thompson, City Manager, City of Scottsdale
Brent Stockwell, Assistant City Manager, City of Scottsdale
Karen Churchard, Tourism & Events Director, City of Scottsdale
Steve Geiogamah, Tourism Development Manager, City of Scottsdale
From: Jack Miller, Experience Scottsdale Board Chair
Mike Surguine, Experience Scottsdale Board Vice Chair
Re: Experience Scottsdale Board Pillars & Tourism Project Priorities
Date: Nov. 13, 2017

Once again, the Experience Scottsdale Board of Directors has outlined a vision for Scottsdale. This vision describes three pillars that will aid in creating an even more desirable destination that will help us sustain our tourism industry and attract new and repeat customers to Scottsdale. These three pillars are: Product & Experience Development, Transportation & Regional Connectivity, and Downtown Activation & Connectivity.

Five high-priority projects fit into the board's pillars and support our vision. While this does not serve as a complete list of projects that may come before Council, the board believes that these projects could have the greatest return on investment to our community and should be considered priorities for the use of bed-tax funds.

With so many projects coming before Council and seeking bed-tax funds, we believe that we can be of assistance to the Council by weighing in as a board that represents the tourism industry on those projects with the most potential.

We believe that each of these projects would be appropriate to receive bed-tax funds; however, bed-tax revenue cannot be the only funding source as the overall impact of these projects to the community will go far beyond the tourism industry. Other funding sources will need to be considered to make these projects a reality.

On behalf of the Experience Scottsdale Board of Directors, I hope that you will consider these priorities as future projects come before you.

Thank you for your past and ongoing support of Scottsdale's tourism industry.



BOARD PILLARS

Product & Experience Development

To remain competitive, Scottsdale must continue offering products and experiences that meet the needs of today's travelers and are authentic to our destination. To help drive incremental visitation to Scottsdale, the board supports exploring:

- The renovation of Scottsdale Civic Center Mall
- Opportunities for building additional event space and maximizing existing event spaces
- The completion of the Desert EDGE/Desert Discover Center
- Additional experiences that are relevant, authentic and unique to our community

Transportation & Regional Connectivity

Both visitors and residents increasingly desire an ability to easily move around the community, including connecting to other communities nearby and Phoenix Sky Harbor International Airport. Due to a need for greater regional connectivity, the board supports exploring:

- Options for helping visitors get from the airport to our hotels and resorts
- Options for connecting employees from other areas of the Valley to our hotels and resorts
- Improved walkability in downtown
- A bike share program in downtown
- Additional parking in downtown

Downtown Activation & Connectivity

Downtown Scottsdale is the heart of our community. To support the visitor experience and the local businesses, downtown needs additional energy and vibrancy both day and night. To achieve this, the board supports exploring:

- A holistic approach to downtown planning, including the identification of viable funding options
- A public spaces master plan to facilitate connectivity, create distinct points of interest, and provide places for people to gather and spend time
- Additional product, activation and special events to provide new reasons for people to come downtown



TOURISM PROJECT PRIORITIES

Desert EDGE/Desert Discovery Center

Estimate: \$61 million

Funding Consideration: up to \$1,200,000 from Bed Tax (multi-year commitments)

The Desert EDGE (Desert Discovery Center) is envisioned as a not-for-profit interpretive, education and research center. Desert EDGE will teach visitors and residents about how to live in an arid environment through fun, emotional, sensory and cognitive interactions and exhibits. The goal will be for visitors to gain an increased understanding of why preservation and conservation is so important.

Downtown Revitalization

Estimate: Unknown

Funding Consideration: Up to \$1,200,000 from Bed Tax (multi-year commitments)

The Downtown Public Spaces Master Plan will transform various parcels in downtown into public spaces and parks with connections throughout downtown that promote walkability. This plan establishes a holistic vision for downtown instead of treating it as distinct pieces and parts. Also included in the plan is the need for renovations to Scottsdale Civic Center to create an “event ready” venue that will allow downtown to be competitive in attracting large-scale tourism events and reboot the Civic Center as the city’s epicenter. Proposed updates include a new elevated walk, additional public art, renovated water features, a new performance pavilion, shade pavilions, a children’s reading garden, a new library plaza, and event lawns.

Visitor Transportation Pilot Program

Estimate: \$300,000/year for a 6-month program

Funding Consideration: Funds from Bed Tax Carryover Balance

With limited transportation options, a visitor transportation pilot program is an opportunity to help visitors get from the airport to their hotel and move throughout the community. Such a program could reimburse travelers for ride-sharing services in Scottsdale. Details of this program are being investigated and discussed with Experience Scottsdale, the City of Scottsdale, and various transportation providers. The City is considering how to move forward with a pilot program or RFP process.



TOURISM PROJECT PRIORITIES CONTINUED

Scottsdale Stadium

*Estimate: Unknown**

Funding Consideration: Up to \$600,000 from Bed Tax (multi-year commitments)

Scottsdale Stadium was built in 1992, and given the age of the stadium, the increased demand of events, and larger crowd attendance, the City, Scottsdale Charros and San Francisco Giants recognize the need for multiple upgrades. These needs have led to a comprehensive master plan of the stadium and practice facilities with recommended upgrades to seating, retail areas, kitchens, and roof, among others. The plan also will include impact considerations of the stadium upgrades to the overall downtown area. **Recent renovations to other Cactus League ballparks have ranged from \$20-\$50 million*

Tourism-Specific WestWorld Projects

Estimate: Unknown

Funding Consideration: Funds from Bed Tax Carryover Balance

Numerous investments have been made in WestWorld over the years to create a more desirable and year-round event venue. A master plan for WestWorld that addresses the community's vision for the facility, including capital investments that support that vision, could help make WestWorld more competitive and attract additional tourism-driving events. A plan for parking in and around WestWorld also is crucial to the long-term success of signature events. Tourism-related projects could be considered from carryover bed-tax funds.



Comprehensive Financial Policies

February 13, 2018

Financial Policies

Background

- First adopted in FY 1994/95
- Promote sound financial planning and management of public funds
- Assist in making fiscal strategy and policy decisions
- Contribute to AAA bond rating



Financial Policies

Categories

- Operating Management
- Capital Management
- Debt Management
- Reserve Management
- Financial Reporting



FY 2018/19

Administrative Changes



Financial Policy #21 A

History

March 9, 2010 election increased bed tax from 3% to 5% and established half to be used for destination marketing and half for tourism development.

June 28, 2011 Council established a methodology for allocating tourism development revenues: 24% for General Fund; 18% for events; 8% for admin/research; 10% for one-time capital and/or events; 40% for long-term capital commitments.



Financial Policy #21 A

History (cont.)

May 8, 2012 Council modified the methodology for allocating tourism development revenues from percent to fixed amounts: \$1.5 million General Fund; \$1.2 million event and event development; \$0.5 million admin/research; \$0.5 million one-time commitments; and balance for capital projects (one-time or multi-year, not to exceed \$0.6 million per project).



Financial Policy #21 A

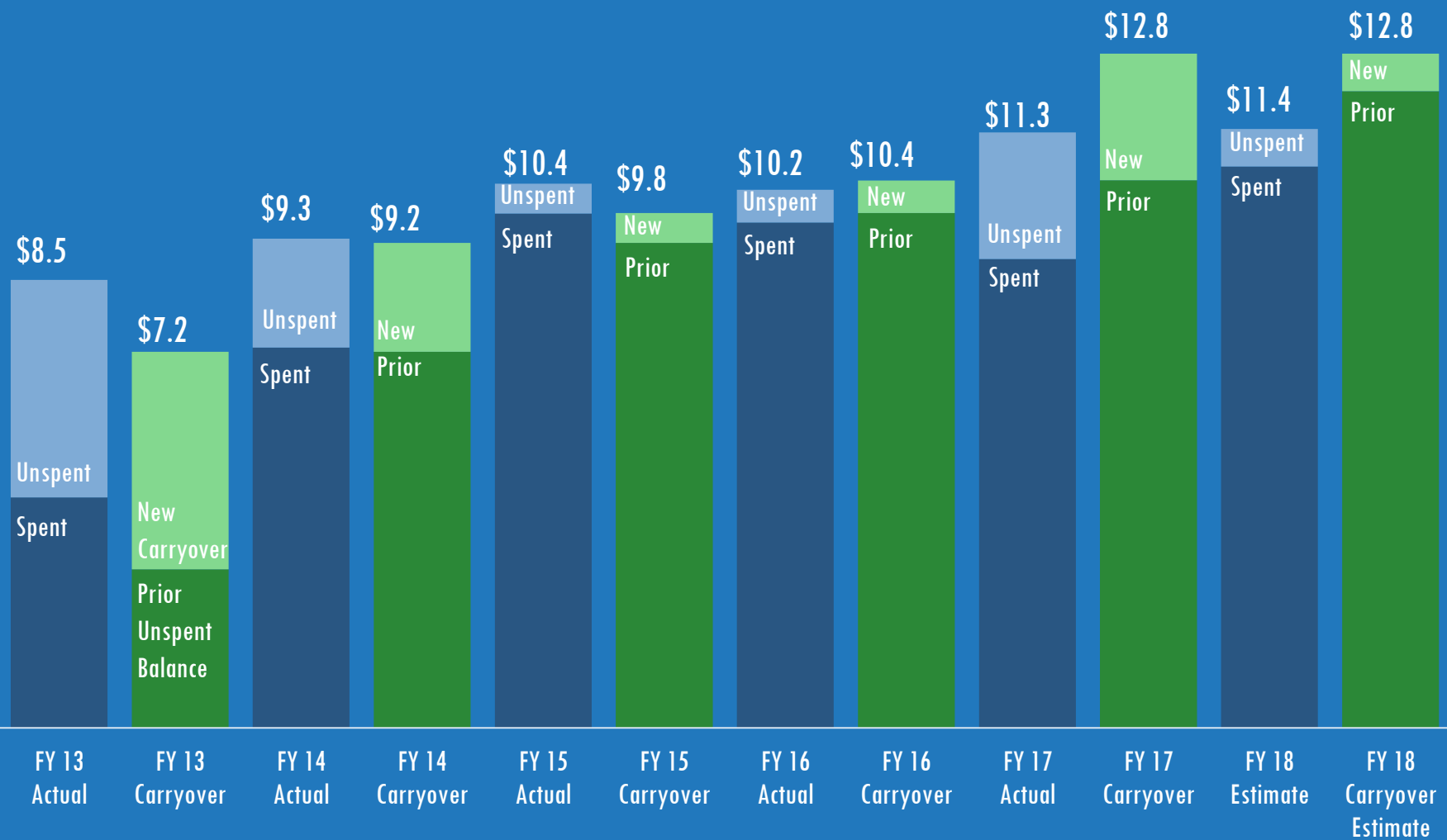
History (cont.)

October 12, 2017 CIP Subcommittee directed staff to recommend to Council revising the policy to include:

- 1) Use of the remaining fifty percent (50%) of the transient lodging (bed) tax revenues for non-marketing purposes will be allocated annually from fixed dollar allocations to percentages
- 2) language that utilizes the Tourism Development Fund for operating impacts related to Tourism capital projects
- 3) prioritization of the Tourism Development revenues allocation so debt service commitments will be made first and foremost



How has the Bed Tax Carryover grown over time?





Financial Policies

Operating Management #21 A:

One hundred percent (100%) of the transient lodging (bed) taxes received by the city shall be deposited into the Special Revenue Fund for Tourism Development (Tourism Development Fund). Additionally, the ~~Special Revenue Fund for~~ Tourism Development Fund shall receive one hundred percent (100%) of Princess Hotel lease revenues.



Financial Policies

Operating Management #21 A (cont.):

~~As approved by the voters, fifty percent (50%) of the~~ transient lodging (bed) tax revenues will be ~~used for tourism marketing. Use of the remaining Special Revenue Fund for Tourism Development revenues will be~~ allocated annually as follows:



Financial Policies

Operating Management #21 A (cont.):

- Fifty percent (50%) for destination marketing, as approved by the voters;
- ~~\$1,500,000~~ Eleven percent (11%) for the General Fund;
- ~~\$1,200,000~~ Seven percent (7%) for tourism-related events and event development;
- ~~\$500,000~~ Six percent (6%) for tourism-related administration and research;
- ~~\$500,000 for one-time commitments to capital projects, events and event development, or administration and research;~~



Financial Policies

Operating Management #21 A (cont.):

- Twenty-six percent (26%), plus the lease payments on the Princess Resort, or The balance of the remaining Tourism Development Fund revenues, for tourism-related operating expenses, capital projects and/or operating impacts that are directly associated with tourism-related capital projects, in the form of one-time commitments or multi-year annual commitments, not to exceed \$600,000 per project commitment unless otherwise approved by City Council.



Financial Policies

Operating Management #21 A (cont.):

At the end of each fiscal year, any unused funds in the Special Revenue Fund for Tourism Development Fund will be available for use in following years for any of the non-marketing tourism categories (except the general fund category) and may be allocated without limitations, except that they may not be leveraged for multi-year annual commitments, such as debt service payments.

In the event of a decrease in Tourism Development Fund revenues, debt service is the priority and will be met first.

A collage of 12 diamond-shaped images arranged in a grid, showcasing various infrastructure projects. The images include: a winding paved path with a red brick border; a pedestrian crossing sign; workers on a bridge; a paved road; a worker on a sidewalk; a worker on a road; a worker on a road; a worker on a road; a worker on a road; a worker on a road; a worker on a road; and a worker on a road. The images are set against a background of colorful geometric shapes (diamonds) in shades of blue, orange, green, and red.

Modified:

- 
- CITY OF
SCOTTSDALE

Financial Policy #21A

Tourism Development Fund Allocation Recommendation

(\$ in millions)

